

DISPENSATION OF FUNDS FROM THE SOUTHERN NEVADA PUB- LIC LANDS MANAGEMENT ACT

OVERSIGHT FIELD HEARING

BEFORE THE
SUBCOMMITTEE ON NATIONAL PARKS, RECREATION,
AND PUBLIC LANDS

OF THE
COMMITTEE ON RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED EIGHTH CONGRESS

FIRST SESSION

Thursday, December 4, 2003, in Las Vegas, Nevada

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OVERSIGHT HEARING ON “THE DISPENSATION OF FUNDS FROM THE SOUTHERN NEVADA PUBLIC LANDS MANAGEMENT ACT”

**Thursday, December 4, 2003
U.S. House of Representatives
Subcommittee on National Parks, Recreation, and Public Lands
Committee on Resources
Las Vegas, Nevada**

The Subcommittee met, pursuant to call, at 10:03 a.m., in the Clark County Commission Chambers, Las Vegas, Nevada, Hon. Jim Gibbons presiding.

Present: Representative Gibbons.

Mr. GIBBONS. I would like to administer the oath because this is something that the Committee requires us to do, an oath before you give your testimony. So if you will all stand and raise your right hand. We will assume that Mr. Rulffes, when he gets here, will also take the oath.

[Witnesses sworn.]

**STATEMENT OF THE HON. JIM GIBBONS, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEVADA**

Mr. GIBBONS. Let the record show that each of the Panel 1 witnesses have affirmed to the oath.

Let me begin just by kind of setting the format and the rules for testimony here today. First of all, we are going to have some little timing lights because we have a number of witnesses and we want the full testimony of all of the witnesses to get in; however, we try to limit opening remarks to five minutes. Your full written testimony will be submitted for the record, so you may feel free to summarize what you want to say when you get here. That way, we will have some time to ask questions of the witnesses in each of the panels as well.

But the lights you see here, you will have a green light which means go. You will have a yellow light which gives you one minute to sum up and then a red light that says your five minutes is up. Try, try to be within the five minutes just out of courtesy to everybody else. Now, I am not going to cut you off. You may talk until I assume that you are going to go close to 10 minutes and then I am going to cut you off, OK. I will be generous because my opening statement is something more than five minutes. But what we all

have to say here today is critically important. It is important for the State of Nevada, it is important for the people of this county and the future, I think, of the children in this great state.

I want to thank all of you, especially all of the witnesses today, for attending this important hearing. This is the House Resources Subcommittee on National Parks, Recreation and Public Lands and the hearing we are having today is the Dispensation of Funds from the Southern Nevada Public Lands Management Act.

Now, I want to commend Senator Richard Bryan—former Senator Richard Bryan—and Senator John Ensign for their hard work in creating the original Southern Nevada Public Lands Management Act legislation. It was a compromise bill, which I supported, and one which clearly put in place a mechanism to help address the demands on the enormous growth here in Clark County. Given my support of this Act, I am here to say that in my opinion the time has come to modernize the Southern Nevada Public Lands Management Act by amending it to reflect the current demands on the infrastructure of our great state.

I want to consider these facts before we begin. Since 1998, approximately 5600 acres of public land in Clark County have been sold under that Act to accommodate the growth needs here in Clark County. Now these sales have rewarded the Federal Government with more than \$690 million in revenue. Of that 690 million, 85 percent goes back to the Federal Government for purposes which I will be able to discuss shortly; however, 10 percent goes to Southern Nevada Water Authority for our water infrastructure needs. And finally, the remaining 5 percent—yes, only 5 percent—goes to help fund our educational needs in Nevada.

Now before we begin discussing the educational needs of our State, such as the needs for new schools, higher salaries for our teachers so we can recruit and hire the best and brightest, and new textbooks for our schoolchildren, let us look at what 85 percent of the \$690 million is being used for. The revenues gained by the Federal Government under this Act are used to purchase more land in Nevada across the State. They are used to support wildlife and to care for existing public lands, parks and trails located exclusively here in Clark County.

Now since 1998 the Federal Government has sold off, as I said earlier, 5600 acres. Unfortunately, in the same time frame the Federal Government has crisscrossed Nevada acquiring 156 square miles of Nevada. That is about 105,000 acres of land. That means that they have got a net gain of about 100,000 acres for the government.

Ladies and gentlemen, that brings me to my first question, one which I am going to submit to you, and that is, what is the benefit to Nevada having more and more of its land owned and regulated by the Federal Government? Representing every county in Nevada keeps me busy. Traveling throughout the State, I have the opportunity, and actually the pleasure, to hear from a lot of Nevadans. Since first being elected to Congress in 1996, no single issue has generated more interest, more commentary and more passion from those that I meet than the enormous stake the Federal Government in our state has. Right now the Federal Government controls nearly 87 percent of Nevada. I am often asked by my colleagues in

Washington, well what kind of a neighbor is the Federal Government, and I am forced to tell them, the Federal Government is not our neighbor, it owns the neighborhood that we live in. It is the landlord surrounding all of us.

Now I understand and appreciate the fact that the original legislation placed emphasis on the Federal Government using the revenues from these sales to acquire environmentally sensitive lands in Clark County. And it did emphasize that the acquisitions did occur predominately in Clark County.

Well this leads me to the next question that we all must be asking. Why should we assume that the Federal Government can do a better job than the gentlemen sitting here in front of us or the people in the State or the State of Nevada in caring for its own lands? I do not argue that we have some environmentally sensitive lands throughout the State of Nevada.

Environmental groups visit my office quite regularly. They are always equipped with proposals and maps depicting areas they deem to be sensitive areas. I oftentimes have to disagree with their proposals, because unlike many of these groups, I spend a lot of time with my family hiking, camping, hunting and enjoying the natural wonders of the State. And sometimes I want to protect more of Nevada land than the environmental groups do. But that certainly does not lead me to think that we ought to hand control of those lands over to the Federal Government for what we are told is protection. I guess the difference between me and some of these environmental groups is, I just have far greater confidence, far greater respect for local control and the ability of the people and the State of Nevada to take care of its own land. As a lifelong resident, I refuse to subscribe to the premise that Federal ownership constitutes better care for our state lands.

Now I am sure that the folks who reside in California will say they believe Lake Arrowhead was worthy of protection, but under Lake Arrowhead's "Federal protection," locals were not allowed to thin surrounding forest lands and the underbrush and the Federal Government refused to do it, could not do, would not do it. And tragically we saw what happened—91,000 acres of fire severely environmentally impacted—or destroyed—were destroyed by fire. Excuse me. And severe environmental impact on air quality, water quality and wildlife. Homes were destroyed, property destroyed, lives were destroyed, all at the cost of more than \$42 million. And a few years back, a Federal managed controlled burn in New Mexico got out of hand ending up burning some 48,000 acres of the Santa Fe National Forest causing nearly \$1 billion in damage.

Now, I believe that our local BLM under Bob Abbey—and he is here and he will testify today—do an outstanding job with the people and the resources they have. But I think the amount of territory that they have under their portfolio today is so extensive that they are limited by the number of people and the amount of resources to properly care for it. And given my serious concerns over the amount of land the Federal Government continues to acquire in Nevada, I will be proposing an amendment to this Southern Nevada Public Lands Management Act that will modify the allocations of dollars received from future land sales in Clark County.

Ladies and gentlemen, the time has come to begin placing a higher emphasis on Nevada needs and a bit less on the desires of the Federal Government. The amendment I will be introducing next year will do two things. First, it will seek to adjust the 85 percent allocation that the Federal Government currently receives down to 55 percent. Again, these funds are currently used to purchase and acquire significantly greater allotments of land in Nevada than the Federal Government is actually selling off.

Now if you will look at this bill—just another piece of trivia. About 4400 acres were acquired in Clark County, 5600 acres were sold off in Clark County, 100,000 acres were acquired outside of Clark County. So there is a bit of a difference here in how the money is being allocated. All I want to ask is that in the future land acquisitions take place in Clark County as required under this Act. This Act as written and carried out today, the money is used for upkeep and maintenance of existing public lands as currently kept in Clark County to address and meet their needs and the public land demands here in Clark County.

So I guess the question is, why use the money to purchase more lands around the State without giving the Federal Government a revenue stream to maintain the lands newly acquired from the monies generated by this Act? The 30 percent that is taken from the Federal Government's coffers will instead go to Nevada's most pressing need, and that is educating our children.

Consider these numbers. Under the Southern Nevada Public Land Act today, the State of Nevada has received about \$29 million toward our education needs over the last four years. That money goes into a restricted trust account that is not allowed to be touched except for the interest earned on that money. So it is protected and used only sparingly.

If the original formula that I have proposed would have been in this Act, the State education would have received well over \$240 million. So each year we would have been getting instead of \$4 million, somewhere in the neighborhood of about \$32 million a year, which would make a significant difference every year in the education of our kids, especially when you start looking at the infrastructure needs. I think this is significant funding for our schools and educators. Think of it this way, if the government is selling small parcels of land in Clark County, then going out and acquiring enormous chunks of land in our rural counties, what does that do to our rural counties? Some of these rural counties already have 90 to 98 percent federally owned and managed, and when you take the very little taxable private property they have off the taxpayer rolls, how will you then pay for their schools? How will you then pay for their teachers and their textbooks and the education of their children like you pay for here in southern Nevada?

Now I doubt anyone can argue that enabling the Federal Government to purchase more land in Nevada when they already have 90 percent of our state is more important than the education of our children. Under my proposal, Federal land managers will still have hundreds of millions of dollars to do the important environmental upkeep and oversight in Nevada. It is my hope that the Federal Government can then prioritize the use of their stake from the Southern Nevada Public Lands Management Act and utilize it by

maintaining our existing public lands in Nevada rather than acquiring more. Since 1998 under this Act the Federal Government has experienced a net gain, as I said earlier, of about 156 square miles of Nevada lands. To put that into perspective, that is about the same size as the Las Vegas Valley here. You can understand that taking that much out of taxpayer rolls in some of these smaller counties is a tremendous burden on these small counties.

Clearly—and I mean this—clearly we need to revisit this legislation so we can do better to address Nevada’s growing needs. I will leave to each of the witnesses, who I thank for taking their time from their busy schedule to be here today, this simple question for you. How does increasing Federal ownership of Nevada lands help Nevada’s schoolchildren and their educational needs? And if you believe that the education of our children is not as important as supplying water to these communities and if you believe education of our children is not as important as protecting the environment, I would like you to tell me why you think so.

We have a growing State, we have growing problems which include families with children who are seeking the best education possible. We have added 27,000 additional children this year who were not here last year. We have built 65 new schools here in Clark County alone since the enactment of this legislation, and the Federal Government is taking control of more land and reducing the taxpayers’ capability of paying for those schools and that education.

So I submit to this Committee and to all Nevadans that educating our children should be our first priority rather than allowing the Federal Government to further control this state we love and we all call home.

I will conclude by saying under my proposal we can still accomplish our capital improvements. We can still accomplish funding our parks, our trails and protecting natural areas that we deem so important. We can still accomplish our conservation initiatives. We can still accomplish the acquisitions of land under the Burton-Santini Act and we can still accomplish our multi-species habitat conservation plans. Each of those efforts and their funding would not be affected if we simply concluded that \$207 million used for acquisition of more lands can be significantly reduced and put into education. This is not a choice, ladies and gentlemen, between educating our children or protecting the environment and beauty of Nevada. We can, and we should, do both.

With that, I will end my statement.

**Statement of The Honorable Jim Gibbons, a Representative in Congress
from the State of Nevada**

Ladies and Gentlemen, thank you for attending this important congressional hearing today to discuss the Southern Nevada Public Lands Management Act of 1998—both where we have come since its enactment, and where we want to go.

First, I would like to commend former Senator Richard Bryan and Senator John Ensign for their hard work in creating this legislation. It was a compromise bill—which I supported—and one that clearly put in place a mechanism to help address the demands of our enormous growth here in Clark County.

Given my support of this Act, I am here to say that, in my opinion, the time has come to modernize the Southern Nevada Public Lands Management Act by amending it to reflect the current demands of our great State.

Consider these facts:

Since 1998, approximately 5,600 acres of public lands in Clark County have been sold under the SNPLMA to accommodate our growth needs.

These sales have awarded the federal government with more than \$690 million in revenue.

Of that \$690 million, 85 percent goes back to the federal government for purposes I'll discuss shortly.

Another 10 percent goes to the Southern Nevada Water Authority for our water infrastructure needs. And finally, the remaining 5 percent—ONLY FIVE PERCENT—goes to help fund our education needs in Nevada.

Now, before discussing the education needs of our State, such as the need for new schools, higher salaries for our teachers, so we can recruit and hire the best and brightest, and new textbooks for our schoolchildren, let's look at what the 85 percent of the \$690 million is being used for.

The revenues gained by the federal government under this Act are used to purchase more of Nevada's land across the State, support wildlife, and to care for existing public lands, parks and trails located exclusively in Clark County.

Again, since 1998, the federal government has sold off approximately 5,600 acres of land.

Unfortunately, however, in that same time frame, the federal government has crisscrossed Nevada and acquired 105,000 ACRES of land—a net gain of more than 100,000 acres for the federal government.

Ladies and Gentlemen, this brings me to the first question for this Committee and the residents of Nevada to consider: What is the benefit to Nevadans in having more and more of our land owned and managed by the federal government?

Now, representing every county in Nevada keeps me busy traveling throughout this great State so that I can hear from my fellow Nevadans.

Since first being elected to Congress in 1996, no single issue has generated more interest, commentary and passion from those I meet with than the enormous stake the federal government has on our State.

Right now, the federal government manages nearly 87 percent of Nevada.

I'm often questioned by my colleagues in Congress as to what kind of neighbor the federal government is with Nevadans.

I tell them that the federal government is not our neighbor—the federal government owns THE NEIGHBORHOOD!!!

Now I understand and appreciate the fact that the original legislation placed emphasis on the federal government using the revenue from these sales to acquire “environmentally sensitive” lands.

The legislation also emphasized that these acquisitions should occur predominantly in Clark County.

Well, that leads me to the next question: Why should we assume that the federal government does a better job caring for Nevada's lands than Nevadans?

I don't argue that we have some environmentally sensitive lands throughout this State. Environmental groups visit my office quite regularly, equipped with maps depicting areas they deem to be sensitive lands.

I often disagree with their maps because unlike many of these groups, I spend time on the ground in Nevada. I drive throughout our State—I hike, camp, hunt and take my kids out to enjoy the natural wonders of this State.

Sometimes, I want to protect more of our Nevada land than the environmental groups do! But that certainly doesn't lead me to think that we ought to hand control of those lands over to the federal government for what we are told is “protection.”

I guess the difference between me and some of these so-called environmentalists is that I have more respect for local control and for the ability of Nevada to take care of its own land.

As a life-long resident of Nevada, I refuse to subscribe to the premise that federal ownership constitutes better care for our State's lands.

I'm sure the folks who reside in California will say that they believe Lake Arrowhead was worthy of protection. But under Lake Arrowhead's “Federal” protection—locals were not allowed to thin surrounding forestland and underbrush—and the federal government refused to do it. And, tragically, we saw what happened.

Over 91,000 acres destroyed by fire, severe environmental impact on air quality, water quality and wildlife—homes destroyed, property destroyed and lives destroyed—all at a cost of more than \$42 MILLION!!!

A few years back, a federally managed controlled burn in New Mexico got out of control, ended up burning some 48,000 acres of the Santa Fe National Forest, causing nearly \$1 BILLION in damage!

Now, I believe our local BLM under Bob Abbey often does the best they can, given their resources and manpower. But our resources—Nevada's resources—which in-

clude our citizens and our land—do not need that much oversight by the federal government.

And given my serious concerns over the amount of land the federal government continues to acquire in Nevada, I will be proposing an amendment to the SNPLMA that will modify the allocations of dollars received from future lands sales in Clark County.

The time has come to begin placing a higher emphasis on Nevada's needs, and a bit less on the federal government's desires.

The amendment I will be introducing early next year will do two things. First, it will seek to adjust the 85 percent revenue allocation that the federal government currently receives to 55 percent.

Again, these funds are currently used to purchase and acquire significantly greater allotments of land in Nevada than the federal government is actually selling off.

Second, I will ask that ALL future land acquisition take place solely in Clark County.

Again, as the Act is written and carried out to this day, the monies used for upkeep and maintenance of existing public lands is currently kept in Clark County to address their public lands' needs.

So why use the money to purchase more land around the State—without giving the federal government a revenue stream to maintain the lands newly acquired from the monies generated by this Act?

The 30 percent that is taken from the federal government's coffers will instead go to help fund Nevada's most pressing need—our education system.

Consider these numbers:

Under the SNPLMA today, the State of Nevada has received approximately \$30 million towards our education needs over the last four years.

If the original formula reflected the changes I hope to make in this Act, our State education would have received well over \$240 MILLION!

Folks, this is significant funding for our schools and educators.

Think of it this way: The federal government is selling small parcels of land in Clark County, then going out and acquiring enormous chunks of land in our rural counties.

Some of these rural counties are already 90 to 98 percent federally owned and managed.

When you take the very little taxable property they have left off the property tax rolls, how will you then pay for THEIR schools, THEIR teacher salaries, and THEIR textbooks?

Now, I doubt anyone can argue that enabling the federal government to purchase more land in Nevada—when they already have nearly 90 percent of our State—is more important than our children's education.

Under my proposal, federal land managers will still have hundreds of millions of dollars to do important environmental upkeep and oversight in Nevada.

It is my hope that the federal government can then prioritize the use of their take from the SNPLMA, and utilize it by maintaining our existing public lands in Nevada, rather than acquiring more.

Since 1998, under this Act, the federal government has experienced a net gain of approximately 100,000 acres of Nevada's land. That's one hell of a deal for the BLM, don't you think?

Clearly—CLEARLY we need to revisit this legislation so that we can better address Nevada's growing needs.

And I'll leave each of the witnesses—who I thank for taking time from their busy schedules to be here today—with this simple question: How does increased federal ownership of Nevada help Nevada's schoolchildren and their education needs?

We have a growing State. We have a growing population, which includes families with children—who are seeking the best education possible for their children.

We have 27,000 kids in school this year who were not here last year. We have 65 new schools in Clark County alone since enactment of the SNPLMA.

And the federal government is taking control of more and more of our land.

I submit to this Committee—and to all Nevadans—that educating our children should be our FIRST priority—rather than allowing the federal government to take further control of this state we love—and that we call home.

I'll conclude by saying that under my proposal, we can still accomplish our capital improvements. We can still accomplish funding our parks, trails and natural areas. We can still accomplish our conservation initiatives. We can still accomplish the acquisitions under Burton-Santini. And, we can still accomplish our multi-species habitat conservations plans.

Each of those efforts and their funding would not be affected if we simply conclude that the \$207 MILLION used for acquisitions of Nevada's land since 1998 can be significantly reduced.

This is not a choice between educating our children or protecting Nevada's environment and natural beauty. We can and should do both.

Mr. GIBBONS. Let me also remind that all witnesses here today will be asked to provide written testimony and all witnesses who want to submit written testimony may do so for this Committee. It will remain open for approximately 10 days, within which you can submit any written testimony for those of you that are not speaking orally here today.

We also are going to ask questions to each of you, and we will at the end of each panel, probably because of the testimony that will be generated here today, have additional questions that we will submit to you in writing and ask that you get back to us within the 10-day period as well. So those will be in addition to the oral questions that you may get asked here today.

Let me say and introduce the first panel for everybody. We have with us an extra person who is not listed on your rolls, and that is Commissioner John Ellison from Elko County. He is here as a witness. He is going to submit his testimony for the record, but we will ask questions of John and the other members from Elko. We have also the Honorable John C. Carpenter, Nevada State Assembly, District 33, from Elko County. We have Mr. Pete Goicoechea, Nevada State Assembly from District 35, that is Eureka, Nevada, and a whole lot of other places in Nevada. We have the Honorable Mike Nannini, who is a County Commissioner from Elko, Nevada, as well. We have Mr. Freeman Johnson, Assistant Director, Department of Conservation and Natural Resources from the State of Nevada. We have Dr. Walt Rulffes. He is the Deputy Superintendent/CFO from Clark County School District; and we have Dr. William Roberts, Superintendent, Nye County School District from Pahrump, Nevada.

What I will do is start on my left, your right, and work our way down the line. So we will start with Mr. Carpenter. John, the floor is yours. Welcome. We look forward to your testimony.

**STATEMENT OF THE HONORABLE JOHN C. CARPENTER,
NEVADA STATE ASSEMBLY, DISTRICT 33, ELKO, NEVADA**

Mr. CARPENTER. Thank you, Mr. Chairman. My name is John Carpenter, I am a member of the Nevada State Legislature having served for 17 years. My Assembly District covers all of Elko County and the northern part of Humboldt County. I was also a member of the Elko County Commission for 14 years and served as Chairman for four years.

I am here today to discuss an important and contentious issue for rural Nevada. We all know that with the huge amount of money being generated by the sale of BLM land in southern Nevada and the subsequent purchase of private land in Elko and Humboldt Counties we are facing a huge dilemma. Loss of mining, loss of livestock production, loss of tax base, loss of economic value, loss of proper husbandry on lands purchased and loss of our rural culture and way of life are just a few of the reasons we believe the

Southern Nevada Public Lands Management Act needs to be amended.

The latest poll distributed by the Elko Daily Free Press in April 2003 shows overwhelming opposition to the Federal Government purchasing more land. Two of the questions were especially telling. One question was, should the government be buying or selling land in Nevada? Eleven percent were in favor of the Federal Government buying land but 89 percent said the government should be selling its land. Another question was, should local governments support or oppose the Federal Government in purchasing more land in Nevada? Eighty-seven percent said that local government should oppose the Federal Government land purchase. Only 13 percent said that local government should support the land purchases.

Along with my testimony I offer Senate Joint Resolution 2 of the last session of the Nevada Legislature which passed both houses of the Legislature by unanimous vote. SJR2 asks for the Southern Nevada Public Lands Management Act to be amended to use some of the monies for water development on public lands, which goes right along for the resolution from the Nevada cattlemen which asks for the amendment of the Southern Nevada Public Land Management Act to allow for a more constructive use of funds generated to include maintenance of purchased properties and by improving lands already in the public domain.

Some would say local government should not interfere when a person wants to sell their land to the government. I submit to you the local government has every right to interfere when their tax base is reduced, productivity of the land is diminished and the Federal Government is able to exert more control over the citizens of the county.

The Southern Nevada Public Land Management Act as now being administered makes for a speculator's paradise. Speculators are purchasing property at market value, or a little over, and then trying to sell it to the government for a ridiculous sum. Amending the Southern Nevada Public Land Management Act to provide for use of money for improvement and rehabilitation of existing lands, using a greater percentage for existing infrastructure in Clark County and using at least 50 percent for public schools in Nevada will eliminate speculation, stabilize rural counties, improve Clark County and help our schoolchildren. None should be used to purchase more private land.

Thank you for allowing me to testify. I will be happy to answer any questions. Thank you, sir.

Mr. GIBBONS. Thank you, Mr. Carpenter.

We will turn now to Assemblyman Goicoechea.

[The prepared statement of Mr. Carpenter follows:]

**Statement of John C. Carpenter, Assemblyman,
District 33 Nevada State Legislature**

Mr. Chairman and Members of the Committee:

My name is John Carpenter. I am a member of the Nevada State Legislature, having served for 17 years. My Assembly District covers all of Elko County and the northern part of Humboldt County. I was also a member of the Elko County Commission for 14 years and served as Chairman for four years.

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and Humboldt Counties, we are facing a huge dilemma. Loss of mining, loss of livestock production, loss of tax base, loss of economic value, loss of proper husbandry on lands purchased, and loss of our rural culture and way of life are just a few of the reasons we believe the Southern Nevada Public Lands Management Act needs to be amended.

The latest poll distributed by the Elko Daily Free Press in April 2003 shows overwhelming opposition to the federal government purchasing more land. Two of the questions were especially telling:

One question was, "Should the government be buying or selling land in Nevada?" 11 percent were in favor of the federal government buying land, but 89 percent said the government should be selling its land.

Another question was, "Should local government support or oppose the federal government in purchasing more land in Nevada?" 87 percent said that the local government should oppose federal government land purchases. Only 13 percent said the local government should support the land purchases.

Along with my testimony, I offer Senate Joint Resolution 2 of the last session of the Nevada Legislature which passed both houses of the Legislature by a unanimous vote. S.J.R. 2 asks for the Southern Nevada Public Lands Management Act (SNPLMA) to be amended so as to use some of the monies for water development on public lands, which goes right along with the resolution from the Nevada Cattlemen's Association which asks for the amendment of SNPLMA to allow for more constructive use of funds generated to include maintenance of purchased properties and by improving lands already in the public domain.

Some would say local government should not interfere when a person wants to sell their land to the government. I submit to you the local government has every right to interfere when their tax base is reduced, productivity of the land is diminished, and the federal government is able to exert more control over the citizens of the county.

SNPLMA as now being administered makes for a speculators' paradise. Speculators are purchasing property at market value or a little over and then trying to sell it to the government for a ridiculous sum.

Amending the SNPLMA to provide for use of money for improvement and rehabilitation of existing lands, using a greater percentage for existing infrastructure in Clark County, and using at least 50 percent for public schools in Nevada will eliminate speculation, stabilize rural counties, improve Clark County, and help our schoolchildren. None should be used to purchase private land.

Thank you for allowing me to testify and I will be happy to answer any questions.

SENATE JOINT RESOLUTION No. 2—COMMITTEE ON NATURAL RESOURCES

SENATE JOINT RESOLUTION—Urging the Secretary of the Interior, the Secretary of Agriculture and Congress to take certain actions concerning expenditures of money for restoration of and water developments on the public lands in Nevada.

WHEREAS, In recent years, wildfires have caused extensive damage to the public lands of this state by destroying thousands of acres of public lands used for economic, wildlife and recreational purposes, and have increased the threat of infestation of exotic annual grasses and noxious weeds which may, if not controlled, cause further degradation of the lands, deterioration of wildlife habitat, erosion, and diminished water quality; and

WHEREAS, Responsible management and preservation of the public lands of this state require restoration of the public lands through various means, including, without limitation, reseeding, planting indigenous grasses and shrubs, combating exotic annual grasses and noxious weeds and reducing the encroachment or density of certain plants for purposes of fire suppression; and

WHEREAS, Because of a lack of adequate water developments on the public lands of this State, wildlife and livestock on those public lands have been forced to concentrate near the limited number of water developments thus jeopardizing the ecological health of the public lands; and

WHEREAS, Responsible management and preservation of the public lands of this state require increasing the number of water developments on the public lands of this state so that the wildlife and livestock on those public lands will be properly dispersed; and

WHEREAS, Proper management and preservation of the public lands and waters of this state are critical as these lands support a wide variety of vital activities that are integral to the economic success and enjoyment of the natural resources of this State, including ranching, mining and recreation, and are a unique and important

historical, cultural, and environmental resource that must be maintained and preserved for the use and appreciation of current and future Nevadans; and

WHEREAS, The continued economic success of this State, existence of wildlife diversity in this state and enjoyment derived from the natural resources of this state depend on the maintenance of healthy ecosystems within the public lands and waters of this State; and

WHEREAS, The Southern Nevada Public Land Management Act of 1998, Pub. L. 105-263, 112 Stat. 2343, authorizes the Secretary of the Interior to expend a portion of the proceeds of the sale or exchange of certain public lands in Clark County for conservation initiatives on certain public lands in Clark County; and

WHEREAS, It would greatly benefit and protect the ecosystems on the public lands in Clark County if the Secretary of the Interior expended the money authorized for such conservation initiatives to pay for restoration of and water developments on certain public lands in Clark County; and

WHEREAS, The Federal Land Transaction Facilitation Act, 43 U.S.C. 2301 et seq., which addresses the sale or exchange of public lands in areas other than certain public lands in Clark County, requires the Secretary of the Interior and the Secretary of Agriculture to use the proceeds of such sales or exchanges for certain purposes, but the Act does not specifically designate any money for restoration of and water developments on the public lands in the areas in which the sales or exchanges occurred; and

WHEREAS, It would greatly benefit and protect the ecosystems on the public lands in the areas of this state where public lands are sold or exchanged pursuant to the Federal Land Transaction Facilitation Act, 43 U.S.C. 2301 et seq., if the Act authorized the Secretary of the Interior and the Secretary of Agriculture to expend a portion of the proceeds obtained from such sales or exchanges for restoration of and water developments on the public lands in those areas; now, therefore, be it

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That the members of the Nevada Legislature hereby urge the Secretary of the Interior to expend the money authorized pursuant to the Southern Nevada Public Land Management Act of 1998, Pub. L. 105-263, 112 Stat. 2343, for conservation initiatives on certain public lands in Clark County to pay for restoration of and water developments on such public lands in Clark County; and be it further

RESOLVED, That the members of the Nevada Legislature hereby urge Congress to amend the Federal Land Transaction Facilitation Act, 43 U.S.C. 2301 et seq. to authorize the Secretary of the Interior and the Secretary of Agriculture to expend money obtained pursuant to the Act to pay for restoration of and water developments on the public lands in the areas of Nevada where public lands are sold or exchanged pursuant to the Act; and be it further

RESOLVED, That the Secretary of the Senate prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the United States Senate, the Speaker of the House of Representatives, the Secretary of the Interior, the Secretary of Agriculture, the Director of the Bureau of Land Management, and each member of the Nevada Congressional Delegation; and be it further

RESOLVED, That this resolution becomes effective upon passage.

Resolution 3
Private Land and Environmental Management

NEVADA CATTLEMEN'S ASSOCIATION
NEVADA WOOLGROWERS ASSOCIATION
JOINT CONVENTION
RENO, NEVADA
NOVEMBER 21, 2003

WHEREAS, The Southern Nevada Public Lands Management Act (SNPLMA) has, through the sale of public lands in the Las Vegas Valley, the ability to generate an enormous amount of money; and

WHEREAS, Proposals for the use of that money for the purchase of private lands in Northern Nevada have included parcels priced at many times market value; and

WHEREAS, Such pricing and resulting sales even greatly discounted will have a inflationary and destabilizing effect upon all private land in Nevada; and

WHEREAS, Because SNPLMA monies can be used for acquisition of environmentally sensitive lands, rather than for restoration, private parcels in need of crucial restoration are not practically eligible for consideration under the Act; and

WHEREAS, the Nevada Cattlemen's Association and Nevada WoolGrowers Association support a no net loss of private land policy,

THEREFORE, BE IT RESOLVED the Nevada Cattlemen's Association and the Nevada WoolGrowers Association urge for the amendment of the SNPLMA in order to alleviate the destabilizing effects of the current Act, by paying fair market value for acquired lands.

THEREFORE, BE IT FURTHER RESOLVED that the Nevada Cattlemen's Association and WoolGrowers Association urge for the amendment of the SNPLMA to allow for more constructive use of funds generated to include the maintenance of purchased properties and by improving lands already in the public domain.

Directed to:

Nevada's Congressional Delegation
 The SNPLMA Working Group
 The SNPLMA Governing Board
 Governor Guinn
 Nevada Association of Counties (NACO)
 All County Commissioners
 RAC

[An attachment to Mr. Carpenter's statement follows:]

LAND POLL RESULTS

DATE: April 30, 2003

NUMBER OF RESPONSES: 243

1. What percentage of Nevada land should government own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%
12	11	11	21	17	29	3	50	2	26	0	34
2. Should government be buying or selling land in Nevada?

Buying	Selling
22	177
(11%)	(89%)
3. What percentage of Nevada land should private citizens own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%	60%
21	9	34	17	39	15	54	2	20	8	42	8	2
4. What percentage of Russian land should government own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%
6	1	3	17	6	19	4	91	3	11	1	33
5. Should government be buying or selling land in Russia?

Buying	Selling
23	134
6. What percentage of Russian land should private citizens own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%
10	0	24	5	29	13	50	17	15	5	27	15
7. What percentage of Iowa land should government own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%
8	4	1	35	5	26	1	72	7	21	0	27
8. Should government be buying or selling land in Iowa?

Buying	Selling
24	145
9. What percentage of Iowa land should private citizens own?

50%	40%	90%	10%	80%	20%	100%	0%	95%	5%	99%	1%
13	2	25	7	47	4	47	3	23	3	29	2
10. Do you want to own land? Yes No

227	6
-----	---
11. Do you want your children and grandchildren to own land? Yes No

225	5
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12. Should local government support or oppose the federal government in purchasing more land in Nevada?

Support	Oppose
29	200
(12.7%)	(87.3%)

**STATEMENT OF THE HONORABLE PETE J. GOICOECHEA,
NEVADA STATE ASSEMBLY, DISTRICT 35, EUREKA, NEVADA**

Mr. GOICOECHEA. Good morning, Chairman Gibbons, and I will address the balance of the members of the Committee as they will be reading this record. For the record, I am Assemblyman Pete Goicoechea. I was a county commissioner for Eureka County for 16 years, now serving in the Legislature representing Assembly District 35, which is all or part of seven counties in northern Nevada.

The concerns you hear this morning are very real. The amount of money being generated by the Southern Nevada Land Management Act makes everyone in northern Nevada, or anywhere in Nevada, a willing seller. County officials end up opposing constituents on something that is very sacred in rural Nevada, and that is private property rights. But these county officials are only trying to maintain their tax base. PET payments, payment equal to taxes, PILT payments, payment in lieu of taxes, are not the answer, although that makes county government whole, it does nothing to capture those dollars that are normally generated by the private sector. We have had some analysis done. Those private sector dollars usually go through a community three to seven times, especially if they are ag dollars, I think it is around seven times. Those dollars are the lifeblood of these rural communities.

We urge you to amend the Southern Nevada Land Management Act. Establish a geographic area comprised of Clark County and areas of adjacent counties that are clearly benefiting from their proximity to the Las Vegas Valley. Some examples would be Pahrump. We are going to have Tooley Springs, Coyote Springs. These definitely should be incorporated into this geographic area that would be in place for the acquisition of environmentally sensitive lands.

With 87 percent of Nevada under Federal land management agencies, it makes no sense to burden the American taxpayer with the cost of managing more lands as these lands are acquired under the Southern Nevada Land Management Act. Why not instead use these funds to enhance the lands already under public land management? We have riparian areas, uplands, pinyon juniper encroachment where the thinning is of great benefit. In Lincoln County we have got a real problem and southern White Pine County, which I also represent. We have wildland/urban interface. The protection of those areas are consuming a vast amount of money. Let us use some of the money out of the Southern Nevada Land Management Act to address those issues. We can contract ARC, cultural, real estate transactions that would in fact benefit the BLM as a whole. Let us use the money from the sale of public lands to enhance public lands, not erode rural tax bases and rural economies.

Acquisitions outside of this established geographic area should be handled on a case-by-case basis legislatively as they have been in the past. It does not matter if we are talking about the Jarbidge Cemetery, the Maiden Grave; again, that is handled on a case-by-case through Congress. So I ask you, please, let us amend the Act and exclude the areas in northern Nevada that truly are being impacted by these land acquisitions.

Thank you. Any questions?

Mr. GIBBONS. Thank you, Assemblyman Goicoechea.
 We turn now to Commissioner Mike Nannini from Elko County.
 Mike, the floor is yours. Welcome.
 [The prepared statement of Mr. Goicoechea follows:

**Statement of The Honorable Pete Goicoechea, Assemblyman,
 35th District, State of Nevada**

Chairman Radanovich, Members of the Committee, thank you for the invitation to speak before you today.

I represent one of Nevada's largest and most rural Assembly Districts. Assembly District 35 encompasses much of rural northern Nevada, including Eureka, Pershing and White Pine Counties and portions of Churchill, Humboldt, Lander and Washoe Counties. The rural character of this Assembly District says much about my perspective on public lands management in general and the Southern Nevada Public Lands Management Act (SNPLMA or Act) in particular.

The SNPLMA is clearly a unique and historically important piece of legislative work. It benefits the State of Nevada by: 1) supporting Nevada's education programs; 2) helping ensure a sound economic future for southern Nevada's communities; and 3) providing a mechanism to balance southern Nevada's economic needs with resource protection and conservation. Unfortunately, the benefits of SNPLMA are tempered by where you reside in the State.

The SNPLMA is a source of great distress to those who live and work in rural Nevada. The fundamental bone of contention is that the Act imposes a legislative remedy for a localized urban problem that disproportionately impacts residents elsewhere in the State. Within the boundaries of southern Nevada (delineated by the October 2002 Amendment), federal lands are privatized for economic development while other private lands are transferred to public ownership for preservation and conservation. Outside of the SNPLMA boundary only half the equation applies, no lands are privatized, while environmentally sensitive (substitute, economically viable) lands are transferred to restrictive public ownership. This inequity has already exacerbated economic hardships in rural Nevada by creating a political and administrative situation that struggling local governments can ill afford. Matters are destined to get worse as land acquisitions erode rural tax bases and undermine local businesses. Outside a generic requirement for consultation during federal land acquisitions, the SNPLMA fails to acknowledge the needs and authorities of any unit of local government or regional governmental entity outside of Clark County.

From a national perspective, new land acquisitions will further test the capacity of American taxpayers to support the growing burden of public lands management. Federal land management agencies are already responsible for improving the condition of 87 percent of Nevada's land area. These agencies remain sadly underfunded and understaffed. The cost to the health of our forests, grasslands and watersheds is dear. The recent Interior budget impasse is testament to our nation's limited ability to provide adequate long-term funding for management of existing federal lands, let alone new acquisitions.

Rural Nevadans also fear the SNPLMA's indirect tie to water. The Act provides funding to Southern Nevada Water Authority for developing water transmission infrastructure. In regions of the State targeted by Southern Nevada Water Authority for water acquisitions, the SNPLMA is perceived to be a mechanism for accessing rural ground water resources. The Act fails to address the local economic and environmental consequences of exporting water from rural areas.

With these concerns in mind I urge the Committee to pursue amendments to the SNPLMA as follows:

1. Limit expenditure of SNPLMA funds for federal land acquisitions to a fixed geographical area in southern Nevada;
2. Identify all units of local government potentially affected by SNPLMA federal land acquisitions within the boundary and clearly define their roles under the Act;
3. Provide for a full accounting of future costs and benefits incurred by a) potentially impacted local and regional businesses, b) affected units of local government, and c) federal agencies for all SNPLMA acquisitions; and
4. Earmark SNPLMA expenditures outside the geographical boundary for enhancing management of existing federal lands and facilities.

In summary, the SNPLMA was designed to enhance economic and social conditions in urban Clark County. Neither by content nor by name does the Act pretend to address the needs of Nevada's rural communities. If there is a need to dispose of federal lands and acquire environmentally sensitive lands in areas outside of

southern Nevada, then I strongly recommend a separate legislative effort that can meet the needs of those communities. Many of us have long argued that the SNPLMA would generate enough money to buy most of the valuable private lands in rural northern Nevada. Given that the Round 4 Auction on November 6th grossed over \$127 million to bring the SNPLMA coffers to well over half-a-billion dollars, there is already enough money on the table to turn all targeted landowners into willing sellers, and for enterprising sellers to turn the United States Treasury Special Account their way.

**STATEMENT OF THE HONORABLE MIKE NANNINI,
COMMISSIONER, ELKO COUNTY, ELKO, NEVADA**

Mr. NANNINI. Chairman Gibbons and members of the Committee, my name is Mike Nannini. I am the Vice Chairman of the Elko County Board of Commissioners. I have been an Elko county commissioner for 11 years and have served on various local government boards and commissions since the 1970s, including the mayor of Wells, Nevada.

Please accept my thanks for the opportunity to discuss the impacts of the Southern Nevada Public Land Management Act upon Elko County. Five applications from Elko County were approved during the round four process. We are aware of at least six potential Act applications for Elko County in the near future.

Elko County is located in the northeastern corner of Nevada. Composed of more than 17,000 square miles or almost 11 million acres, Elko County is the fourth largest county in the continental United States. Our county's land mass is larger than some eastern states. Seventy-two percent of Elko County is federally managed lands. Sixty-two percent is managed by the BLM and about 10 percent is managed by the Forest Service. We enjoy an abundance of open spaces and outdoor recreational opportunities such as hunting, fishing, hiking and camping activities which enhance our quality of life. As in many areas in the western United States, large components of Elko County's economy are directly tied to the use of public lands by ranching and mining operations. Generations of our citizens have been ranchers and miners.

In Elko County, the Southern Nevada Public Land Management Act causes two strongly held beliefs to be in contention. One, that private property owners have a right to sell their property as they see fit, and second, that Elko County has enough federally managed lands. The conflict between these two options is evident among our citizens and members of our county commission. Elko County supports private property rights. We are reluctant to interfere with the sale of private property between willing parties.

While the Act provides an avenue for public land sales in Clark County, its impact is the Federal acquisition of private lands in Elko County. With millions of dollars that will be generated by public land sales in Clark County, we fear that many of our private ranches may be converted to federally managed lands within the next decade unless other beneficial uses of this windfall of monies are available.

Section Five of the Act defines lands for acquisitions as environmentally sensitive land that will promote a variety of purposes such as preservation, recreation, public access, land management or for the public interest. We believe this definition is vague enough that it will allow most of Elko County's private lands to

qualify for the acquisition under the Act. Private property owners are lured by an artificial real estate market created by the acquisition provisions of the Act that makes it difficult to ignore the potential of high property appraisals.

Elko County fears that the Act will cause the erosion of our tax base due to the reduction of taxable property. The Federal Payment in Lieu of Taxes program attempts to balance this issue. However, our most recent PILT payment was 22 cents an acre for federally managed lands. PILT funding does not adequately provide funding for local government services such as road maintenance, fire protection and law enforcement. If the percentage of private property declines in our county, it will force an increased tax rate on our citizens for local government services.

Elko County offers these suggestions that may mitigate the Act's impact on rural Nevada. These suggestions have been developed from discussions by the county commissioners, the Elko County Public Land Use Advisory Commission and from local public hearings.

Amend the law so that lands acquired under the Act outside of Clark County will be offset by disposal of land value of federally managed lands within the same county. Such disposals should be on an equal value basis and offered for private and public ownership acquisition. Consideration for sales could include grazing allotments to ranchers, unpatented mining claims, potential mining and natural resource areas, recreation for public purpose leases, RP&P, property and other lands to consolidate checkerboard parcels or in-holdings, with priority given to local government entities on lands bordering or within their boundaries. The final resulting goal of no net loss of private lands within the affected county should be a Federal management commitment.

To address the problem of reduced taxable property in a county through the Act land acquisition, a tax annuity should be established by the seller or a percentage of the sale proceeds should be allocated to offset the reduction of local government tax revenues. This portion of the sales proceeds could be utilized for lost tax revenues, enhanced economic development activity and other local government services.

Allow a portion of the proceeds on the Act land sales in Clark County to be appropriated toward the general funds of the Federal land management agencies within the State of Nevada to maintain lands and facilities currently under their management. This could include range management improvements, wildfire management, conservation, water developments for grazing, recreation or wetland habitat, recreation developments such as trails, parks, camping facilities, interpretive signs, wildlife and critical habitat enhancements and improvements to existing infrastructure and facilities.

John has already talked about how we feel about water. So I will pass that up.

Increased emphasis should be given to improved access to public lands through the acquisition of land easements and consideration could be given to increase the current 5 percent paid directly to the State of Nevada for use in the general education programs in the State.

Again, I wish to express my appreciation for the opportunity to discuss the issues related to the impacts of the Southern Nevada Public Land Management Act upon Elko County. Perhaps serious consideration of these suggested amendments will make the Act equitable for all who are affected by its provisions.

Thank you.

Mr. GIBBONS. Thank you very much, Commissioner.

We will turn now to Mr. Freeman Johnson who is the Assistant Director, Department of Conservation and Natural Resources for the State of Nevada. Mr. Johnson, welcome. The floor is yours.

[The prepared statement of Mr. Nannini follows:]

Testimony of The Honorable Mike Nannini, Vice-Chair, Elko County Board of Commissioners Elko County, Nevada

Mr. Chairman and Members of the Committee:

My name is Mike Nannini. I am the Vice-Chair of the Elko County Board of Commissioners. I have been an Elko County Commissioner for eleven years and have served on various local government Boards and Commissions since the 1970's, including the Mayor of Wells, Nevada.

Please accept my thanks for the opportunity to discuss the impacts of the Southern Nevada Public Lands Management Act (SNPLMA) upon Elko County. Five applications from Elko County were approved during the Round 4 process. We are aware of at least six potential SNPLMA applications from Elko County in the near future.

Elko County is located in the northeastern corner of Nevada. Composed of more than seventeen thousand square miles or almost eleven million acres, Elko County is the fourth largest County in the Continental United States. Our County's land mass is larger than some eastern States. Seventy-two percent of Elko County is federally managed lands. Sixty-two percent is managed by the Bureau of Land Management and about 10 percent is managed by the Forest Service. We enjoy an abundance of open spaces and outdoor recreational opportunities, such as hunting, fishing, hiking and camping activities, which enhances our quality of life. As in many areas in the Western United States, large components of Elko County's economy are directly tied to the use of public lands by ranching and mining operations. Generations of our citizens have been ranchers and miners.

In Elko County, the Southern Nevada Public Lands Management Act causes two strongly held beliefs to be in contention. One, that private property owners have a right to sell their property as they see fit, and the second, that Elko County has enough federally managed lands. The conflict between these two opinions is evident among our citizens and members of the County Commission. Elko County supports private property rights. We are reluctant to interfere with the sale of private property between willing parties. While SNPLMA provides an avenue for public land sales in Clark County, its impact is the federal acquisition of private land in Elko County. With the millions of dollars that will be generated by public land sales in Clark County, we fear that many of our private ranches may be converted to federally managed lands within the next decade unless other beneficial uses of this wind-fall of monies are available.

Section Five (Acquisitions) of the Act defines lands for acquisition as "environmentally sensitive land" that will promote a variety of purposes, such as preservation, recreation, public access, land management, or for the public interest. We believe this definition is vague enough that it will allow most of Elko County's private lands to qualify for acquisition under the Act. Private property owners are lured by an artificial real estate market created by the acquisition provisions of SNPLMA that makes it difficult to ignore the potential of high property appraisals.

Elko County fears SNPLMA will cause the erosion of our tax base due to the reduction of taxable property. The Federal Payment in Lieu of Taxes (PILT) program attempts to balance this issue. However, our most recent PILT payment was twenty-two cents an acre for federally managed lands. PILT funding does not adequately provide funding for local government services, such as road maintenance, fire protection and law enforcement. If the percentage of private property declines in our County, it will force an increased tax rate on our citizens for local government services.

Elko County offers these suggestions that may mitigate the SNPLMA impacts upon rural Nevada. These suggestions have been developed from discussions by the

County Commission, the Elko County Public Land Use Advisory Commission and from local Public Hearings.

- Amend the law so that lands acquired under SNPLMA outside of Clark County will be offset by disposal of a like value of federally managed lands within the same County. Such disposal should be on an equal value basis and offered for private and public (State or local government) ownership acquisition. Consideration for sale could include grazing allotments to ranchers, un-patented mining claims, potential mining or natural resource areas, Recreation for Public Purposes Lease (RP&P) property and other lands to consolidate checkerboard parcels or in-holdings, with priority given to local governmental entities on lands bordering or within their boundaries. The final resulting goal of "No Net Loss" of private lands within the affected county should be a federal management commitment.
- To address the problem of reduced taxable property in a County through SNPLMA land acquisitions, a tax annuity should be established by the Seller or a percentage of the sale proceeds should be allocated to offset the reduction of local governmental tax revenues. This portion of sale proceeds could be utilized for lost tax revenues, enhanced economic development activity and other local government services.
- Allow a portion of the proceeds on SNPLMA land sales in Clark County to be appropriated toward the general funds of federal land management agencies within the State of Nevada to maintain lands and facilities currently under their management. This could include range management improvements; wild-fire management; conservation; water developments for grazing, recreation or wetland habitat; recreation developments, such as trails, parks, camping facilities, interpretive signs; wildlife and critical habitat enhancements; and improvements to existing infrastructure and facilities.
- The Nevada Senate and Assembly approved Senate Joint Resolution No. 2 this past Legislative Session which requests SNPLMA funding "for restoration of and water developments on the public lands in the areas of Nevada...." Any acquired water rights should not be transferrable inter-basin or inter-county but be utilized for wildlife, grazing, recreational or habitat enhancement with any unused water rights reverted to the Nevada Division of Water Resources for reallocation within the basin.
- Increased emphasis should be given to improved access to public lands through the acquisition of land easements.
- Consideration could be given to increase the current 5 percent paid directly to the State of Nevada for use in general education programs in the State.

Again I wish to express my appreciation for the opportunity to discuss the issues related to the impacts of the Southern Nevada Public Lands Management Act upon Elko County. Perhaps serious consideration of these suggested amendments will make the Act equitable for all who are affected by its provisions.

STATEMENT OF FREEMAN K. JOHNSON, ASSISTANT DIRECTOR, DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES, STATE OF NEVADA

Mr. JOHNSON. Thank you Congressman Gibbons and members of the Committee. As you stated, my name is Freeman Johnson for the record. I am the Assistant Director for the Department of Conservation and Natural Resources here in Nevada. It is my pleasure to appear before you today to present—

[Microphone difficulty.]

Mr. GIBBONS. You have just got to love technology.

Mr. JOHNSON. I will pick up where I left off. I am Freeman Johnson and I am the Assistant Director for the Department of Conservation and Natural Resources. It is my pleasure to appear before you today to read into the record the testimony of Kenny C. Guinn, Governor of the State of Nevada with respect to the issue before us today.

The passage of the Southern Nevada Public Land Management Act in 1998 was a landmark for the State of Nevada. As you know, Nevada has more Federal land than any other state. Today about

87 percent of Nevada's land is controlled by the Federal Government. Nevada constantly struggles to cope with the impacts of this overwhelming Federal presence. The State is grateful to Congress for recognizing our unique status, and for approving the concept that excess Federal land can be sold and the proceeds used to benefit the environment of the State.

This concept was first expressed in the Santini-Burton Act of 1980 under which land was sold in the Las Vegas Valley with the proceedings benefiting Lake Tahoe. The Southern Nevada Act built on this success with an innovative and comprehensive program that benefits both the Federal agencies and the State.

The sale of Federal lands in the Las Vegas Valley accommodates the needs of our rapidly expanding southern Nevada communities. Lands are sold in cooperation with our local governments, which help to determine sales schedules through a joint selection process. This program has been an outstanding success.

When lands are sold, funds are generated for many purposes. The Southern Nevada Water Authority receives 10 percent of sale proceeds to help them supply new residents of the Las Vegas Valley. The State receives 5 percent for our public schools. I note that Nevada, like other western states, has benefited for many years from the receipt of 5 percent of the proceeds from the sale of all Federal lands in the State. Our State Constitution provides that the funds from these land sales are deposited in the State Permanent School Fund. The State has pledged that these funds will remain untouched in perpetuity, while the interest is made available each year to schools statewide. The success of the land sale program in the Las Vegas Valley has, to date, generated more than \$23 million in welcome revenue for our Permanent School Fund.

The Act also makes funds available for many critically important natural resource programs. The State and local governments have been included in a partnership process to decide how these funds are spent each year. We are proud of our record of consensus on these funding decisions. Funds are made available to local governments in Clark County for local parks, trails and natural areas. Funds are also being expended by Federal agencies for programs here in Clark County, including capital improvements, conservation initiatives, and to protect the desert tortoise and other sensitive plant and animal species.

Funds are available for the acquisition of sensitive lands anywhere in the State. These funds have been especially welcome here in Clark County, and also in northwestern Nevada, where a rapidly growing urban populations make it critically important to protect sensitive lands from development. Funds have also been useful in rural Nevada, where the Federal agencies have been working with the State and with county governments to identify some sensitive parcels that may be suitable for acquisition.

The State will continue to support the use of these funds to address Nevada's natural resource needs. Just a few weeks ago, with strong state support, Congress acted to appropriate Southern Nevada funds to implement the Lake Tahoe Restoration Act.

The State of Nevada is pleased to be included in discussions of other potential benefits of the Southern Nevada Public Land Management Act. There are many resource needs throughout the State.

Our land is being increasingly threatened by wildfire and invasive species. There are growing pressures from people seeking open space for relaxation and recreation. The public lands continue to provide resources for energy, minerals, livestock grazing, hunting and fishing and other traditional uses. Small communities throughout rural Nevada are dependent on these resources for their continued existence. We must continue to act decisively to protect our fragile landscapes for future generations.

The State appreciates the opportunity to testify before you today. Mr. GIBBONS. Thank you very much, Mr. Johnson.

[The prepared statement of Governor Kenny C. Guinn follows:]

Statement of The Honorable Kenny C. Guinn, Governor, State of Nevada

As you know, Nevada has more federal land than any other state. Today, about 87 percent of Nevada's land is controlled by the federal government. Nevada constantly struggles to cope with the impacts of this overwhelming federal presence.

The State is grateful to Congress for recognizing our unique status, and for approving the concept that excess federal land can be sold, and the proceeds used to benefit the environment of the State.

This concept was first expressed in the Santini-Burton Act of 1980, under which land was sold in the Las Vegas Valley, with the proceeds benefiting Lake Tahoe. The Southern Nevada Act built on this success, with an innovative and comprehensive program that benefits both the federal agencies and the State.

The sale of federal lands in the Las Vegas Valley accommodates the needs of our rapidly expanding southern Nevada communities. Lands are sold in cooperation with our local governments, which help to determine sale schedules through a joint selection process. This program has been an outstanding success.

When lands are sold, funds are generated for many purposes. The Southern Nevada Water Authority receives 10 percent of sale proceeds to help them supply new residents in the Las Vegas Valley. The State receives 5 percent for our public schools. I note that Nevada, like other western states, has benefited for many years from the receipt of 5 percent of the proceeds from the sale of all federal lands in the State. Our State Constitution provides that funds from these land sales are deposited in the State Permanent School Fund. The State has pledged that these funds will remain untouched in perpetuity, while the interest is made available each year to schools statewide. The success of the land sale program in the Las Vegas Valley has, to date, generated more than \$23 million in welcome revenue for our Permanent School Fund.

The Act also makes funds available for many critically important natural resource programs. The State and local governments have been included in a partnership process to decide how these funds are spent each year. We are proud of our record of consensus on these funding decisions:

- Funds are being made available to local governments in Clark County for local parks, trails and natural areas;
- Funds are also being expended by federal agencies for programs here in Clark County, including capital improvements, conservation initiatives, and to protect the desert tortoise and other sensitive plant and animal species; and
- Funds are available for the acquisition of sensitive lands anywhere in the State. These funds have been especially welcome here in Clark County, and also in northwestern Nevada, where rapidly growing urban populations make it critically important to protect sensitive lands from development. Funds have also been useful in rural Nevada, where the federal agencies have been working with the State and with county governments to identify some sensitive parcels that may be suitable for acquisition.

The State will continue to support the use of these funds to address Nevada's natural resource needs. Just a few weeks ago, with strong State support, Congress acted to appropriate Southern Nevada funds to implement the Lake Tahoe Restoration Act.

The State of Nevada is pleased to be included in discussions of other potential benefits of the Southern Nevada Public Land Management Act. There are many resource needs throughout the State. Our land is being increasingly threatened by wildfire and invasive species. There are growing pressures from people seeking open space for relaxation and recreation. The public lands continue to provide resources for energy, minerals, livestock grazing, hunting and fishing, and other traditional

uses. Small communities throughout rural Nevada are dependent on these resources for their continued existence. We must continue to act decisively to protect our fragile landscapes for future generations.

The State appreciates the opportunity to testify before you today.

Mr. GIBBONS. WE WILL TURN NOW TO DR. WALT RULFFES, THE DEPUTY SUPERINTENDENT AND CFO OF THE CLARK COUNTY SCHOOL DISTRICT. DOCTOR, WELCOME, THE FLOOR IS YOURS.

**STATEMENT OF DR. WALT RULFFES, DEPUTY
SUPERINTENDENT/CFO, CLARK COUNTY SCHOOL DISTRICT**

Mr. RULFFES. Thanks very much for the opportunity to be here. I also want to thank the staff members from the various agencies that helped guide us through this process, which we are not very often involved in. So they have all been very gracious and helpful.

I am from Clark County School District and I am always proud to say that I represent 268,000 boys and girls. That kind of puts it in context for the reason I like my job so well.

Our testimony today, Congressman Gibbons, is really very fundamental and based on the simple premise that the agencies that are directly impacted by the sale of the public land should be given maybe some special priority in the distribution of funds. You have already indicated in your opening remarks that the increased population has an impact on various agencies. You have also indicated the importance of education. I could not have said it as well, so we will let the record stand with that.

You probably know that we have a school construction bill and the taxpayers in Clark County have chosen to impose a tax upon themselves to build new schools, but that money is limited exclusively only to the use of new school construction, not to any of the support infrastructure that is necessary and required to support schools. Where we need help are in areas like in school security and student safety, school buses, maintenance facilities and the support infrastructure to the schools, because as indicated, the school construction program in Clark County is adequately funded at least until the year 2008.

So in conclusion, first of all, we do not want to disturb the 5 percent process that is done on a statewide basis. We believe that should be left intact. But we would urge you and any policy-makers to give consideration to sharing some of the State proceeds with the local agencies such as the school district that have costs that occur as a consequence of the sale of the land, because the sale of the land is linked to more population, which is linked to costs that we have to incur in this county. Even if it is to the extent that it is a dedicated fund only for exclusive use for those purposes that do occur because of the growth that resulted from the sale of the land.

With that, again thanks for the opportunity to be here.

Mr. GIBBONS. Doctor, thank you very much for your testimony.

We will turn now to Dr. Roberts for your testimony. Dr. Roberts is the Nye County School District Superintendent from Pahrump. Dr. Roberts, welcome.

[The prepared statement of Dr. Rulffes follows:]

**Statement of Dr. Walter Rulffes, Deputy Superintendent/CFO,
Clark County School District, Nevada**

Thank you for the opportunity to provide testimony related to the distribution of proceeds from the sale of public land in Nevada by the Bureau of Land Management. The Clark County School District urges that consideration be given to increasing the proceeds from the sale of land to benefit educational opportunities for students in southern Nevada.

Background

The Clark County School District is the sixth largest school district in the nation and is home to approximately 70 percent of the K-12 students in Nevada. The District serves approximately 270,000 students in 289 schools throughout the District, which covers 7,910 square miles. The Clark County School District may be the fastest-growing school district in the entire nation, increasing by four to six percent per year. This fall the District welcomed 12,566 new students. To accommodate that growth, 12 new schools were opened. This fast-paced growth has been with us for over a decade. Since 1990, 144 new schools have been built, and the student population has nearly tripled. The community is supporting about \$1.25 million per day on school construction, but operation funding per student is among the lowest in the nation.

The fastest-growing segment of the District's population is English Language Learner (ELL) students. The Clark County School District is now a minority-majority district, with approximately 46 percent of the population Caucasian, 32 percent Hispanic, and 14 percent African American. The District, along with the rest of the country, embraces the requirements of No Child Left Behind and faces many challenges as we prepare our 46,000 ELL students to meet the rigorous testing standards that will help ensure their success in life.

The District's fast-paced construction is financed by a voter-approved, ten-year capital program, the fifth voter-approved building program since 1986. However, expenditures are limited to school construction and equipment. Funding for essential student, staff and patron support functions, such as safety and security, food service, maintenance, technology, central services, etc., must be taken from operational revenues, thus diverting instructional dollars from classroom activities.

The current per-pupil funding for Clark County School District is approximately \$5,600. This compares to a national per-pupil funding average in excess of \$7,000. The total funding gap on a district-wide basis is approximately \$400 million per year. This gap in funding results in fewer educational opportunities for students in Clark County. Against this background, Clark County School District is desperately seeking needed funding sources for non-recurring expenditures to address essential educational and school support services and non-school capital projects. Examples are not limited to, but include:

1. New textbook adoptions and related instructional equipment;
2. Capital improvements in technology areas, such as computers in remediation centers, expanded library systems, and updated enterprise systems;
3. Accountability reporting to the community, parents and government agencies;
4. Reduce student dropouts with after-school and Saturday opportunities for students to catch up and graduate;
5. Campus security improvements for student and staff safety;
6. Staff training academies;
7. Funding for facilities that will house all-day kindergarten programs. (Currently, the District's half-day kindergartners attend school for two hours, 40 minutes per day.); and
8. Updated safe and efficient housing for central educational service personnel.

Under the current formula for distribution of land sale proceeds, a portion is allocated to a legislatively established state fund from which annual interest earnings (approximately \$4.0 million annually) are allocated to the State's Distributive School Account (DSA). While this allocation is helpful to the Clark County School District, the District could greatly benefit from an increase in the formula, which would direct earnings from local land sales directly to southern Nevada's students.

The District supports continuation of the existing allocation, but requests that any increased allocation go to the direct benefit of the local school district(s).

We are deeply appreciative of your support in this matter, as well as your ongoing interest in improving educational opportunities for the students of southern Nevada. We are mindful of the community's concern that students from Nevada have full educational opportunities to not only meet academic standards to graduate, but also to be competitive in future job opportunities, objectives we know you share. We are readily available to respond to questions or to provide further information.

Thank you for this opportunity to provide input on an important topic.

**STATEMENT OF DR. WILLIAM ROBERTS, SUPERINTENDENT,
NYE COUNTY SCHOOL DISTRICT, PAHRUMP, NEVADA**

Mr. ROBERTS. Congressman Gibbons, members of the Subcommittee on National Parks, Recreation & Public Lands, thank you for allowing me, Rob Roberts, Superintendent of Nye County School District, Nye County, Nevada, the opportunity to provide testimony concerning the dispensation of funds from the Southern Nevada Public Land Management Act. The Nye County School District requests increasing the percentage of profits being distributed to the Nevada Department of Education from the sale of land to benefit the educational opportunities of the students in Nye County, Nevada.

The Nye County School District is the largest geographical school district in the continental United States. It encompasses 18,400 square miles with 17 schools serving over 5,400 students. We employ over 700 certified and classified staff and operate some 74 buses which drive over one million miles a year. Over 98 percent of our tax base is owned by the Federal Government, thus denying us the opportunity of an adequate tax base to support the education of our children. Nye County is the home of the Nellis Air Force Bombing Range, some 3,000 square miles, yet we see no compensation. We are the Low Level Nuclear Storage Site for the United States. Nye County has been subjected to over 1,000 nuclear tests, rendering that land unfit for human existence. And with the Yucca Mountain project on the verge of licensing for high level storage of nuclear waste for the entire nation, the students of Nye County still see little to no Federal compensation for their education.

The Nye County School District is a diverse community with one commonality, being economically disadvantaged. Some 56 percent of Nye County schools are Title I and 49.5 percent of our students qualify for free or reduced lunch. Nye County classroom computers are averaging five years of use and older. Many of our classrooms are in modulars. Several schools offer no air conditioning and are not ADA accessible. Funding for essential services are woefully inadequate. Nye County School District per-pupil funding is approximately \$5560. With a national average of approximately \$7000 you can see nearly an \$8 million funding gap. With these funds we could offer the education our students deserve and the Federal No Child Left Behind legislation demands. It is worth noting that in the Washington, D.C. area the per-pupil funding is approximately \$11,000.

Nye County School District desperately needs monies for their essential educational support and school capital projects.

New buses. Currently our average route bus is approximately 25 years old. We would like to update our text books. We would like to update the technology in the classrooms so that computers, Internet and video connections are available in every school. We have schools with one-room teachers—one building in Duckwater to a middle school with 1,000 students in Pahrump Valley.

After school programs including Saturdays and Sundays—I am sorry, Saturdays and in summer schools. School safety improvements, air conditioning and ADA assistance for several of our schools. Staff professional development training and the ability to staff teachers in remote locations. Special education teachers, occupational therapists, speech pathologists, school psychologists and medical staff. Currently we have one school nurse in Nye County. We have been trying for over a year to hire one for the north. No takers.

Presently approximately 5 percent of the profits from land sales makes its way to education in Nevada. While that is helpful, increasing the local land sales profit distributed to school districts in rural Nevada would greatly improve our ability to assist students impacted by local land sales and Federal ownership and impact of their land.

The Nye County School District supports continuation of an allocation process and the increase of the percentage going directly to the students of Nye County and southern Nevada school districts. I would have to say all Nevada school districts.

Thank you for the opportunity to provide information concerning Nye County and the rural school districts.

Mr. GIBBONS. Thank you, Dr. Roberts.

[The prepared statement of Dr. Roberts follows:]

**Statement of Dr. William E. Roberts, Superintendent,
Nye County School District in Nevada**

Members of the Subcommittee on National Parks, Recreation and Public Lands:
Thank you for allowing me, Rob Roberts, Superintendent of Nye County School District, Nye County Nevada, the opportunity to provide testimony concerning the dispensation of funds from the Southern Nevada Public Lands Management Act. The Nye County School District requests increasing the percentage of profits being distributed to the Nevada Department of Education from the sale of land to benefit the educational opportunities of students in Nye County.

Background

The Nye County School District is the largest geographical school district in the lower 48 states. It encompasses 18,400 square miles with 17 schools serving over 5,400 students. We employ over 700 certified and classified staff, and operate 74 busses which drive over 1,000,000 miles a year. Over 98 percent of our tax base is owned by the Federal Government thus denying us the opportunity of an adequate tax base to support the education of our children. Nye County is home to the Nellis Air Force Bombing Range, some 3,000 square miles, yet we see no compensation. We are the Low Level nuclear Storage Site for the United States. Nye County has been subjected to over 1,000 Nuclear Tests, rendering that land unfit for human existence. And with the Yucca Mountain Project on the verge of licensing for high-level storage of nuclear waste for the entire nation, the students of Nye County still see little to no Federal compensation for their education.

The Nye County School District is a diverse community with one commonality, being economically disadvantaged. Some 56 percent of Nye County Schools are Title I, 49.5 percent of our students qualify for Free or Reduced Lunch. Nye County classroom computers are averaging five years of use. Many of our classrooms are in modulars, several schools offer no air conditioning and are not ADA accessible. Funding for essential services are woefully inadequate. NCSD per-pupil funding is approximately 5,560 dollars, with a national average of approximately 7,000 you can see a \$7,776,000 per year funding gap. With these funds we could offer the education our students deserve and federal No Child Left Behind legislation demands.

Nye County School District desperately needs monies for essential educational support and school Capital Projects:

1. New School Busses—Currently average route bus is twenty-five years old;
2. Updated Textbooks;
3. Technology in every classroom and Internet, Video connection to every school;
4. After-school programs including Saturdays and Summer School;

5. School Safety improvements;
6. Air-conditioning and ADA assistance for several schools;
7. Staff Professional Development Training; and
8. The ability to staff teachers in remote location, i.e. Special Education, OT, PT, School Psychologists and medical staff.

Presently approximately 5 percent of profits from land sales makes its way to education in Nevada, while that is helpful, increasing the local land sales profit distributed to school districts in rural Nevada would greatly improve our ability to assist the students impacted by local land sales and federal ownership and impact of their land.

The Nye County School District supports continuation of the allocation process and an increase of the percentage going directly to the students of Nye County and other southern Nevada school districts.

Thank you for the opportunity to provide information concerning education in Nye County and Southern Nevada.

Mr. GIBBONS. Let me say to each of our witnesses here today, you have raised some very significant issues here. I think it is clear to myself, it is clear to, I am sure, many people in the audience that there is an enormous disparity between urban parts of our state and urban school districts and rural parts of our state and rural school districts, and this disparity gets even greater based on the fact that we lose taxpayer bases in rural parts of our county. We gain taxpayer base, private property, in Clark County. I mean what I heard Dr. Rulffes say was that, you know, we needed just help with some of the operating costs. We have a taxpayer base that pays for a lot of our educational needs and our schools here in Clark County. That is not the testimony that I just heard from Dr. Roberts. It is just quite the opposite.

So the point of this hearing today is to figure out how we adjust the equality to make sure that the education of some child in Pahrump or in Duckwater, Nevada, has the same quality as a child being educated here in Las Vegas. I think clearly that the Clark County school superintendent would agree with the Nye County school superintendent that those children are just as important, just as valuable and deserve just the same opportunities as our urban schools do.

[The prepared statement of Mr. Ellison follows:]

**Statement submitted for the record by The Honorable John Ellison,
Chairman, Elko County Commissioners, Elko County, Nevada**

My biggest concern of the Southern Nevada Public Lands Management Act is the economic impact felt by the loss of productive lands and those whose lives are supported by them.

I agree with my fellow Elko County Commissioners on the ad valorem tax, but there is a broader concern of a trickle-down effect with the loss of important members of our county "community" and a vital part of our economy. I believe we lose so much more when we lose fuel and retail sales taxes from those residents who are lost when Elko County ranching lands are gone.

Keeping in mind an important purpose of SNPLMA is in protecting environmentally sensitive lands, one must also take into account the positive effects ranching has on our public lands including that of fire suppression.

In addition, I do believe in Congressman Gibbons support of using these funds for our school system.

I will be in attendance to support Assemblyman John Carpenter and Elko County Commissioner Mike Nannini during their testimonies and will be available to answer questions, but do not intend on testifying myself.

Thank you.

Mr. GIBBONS. Let me start off over here and ask Commissioner Ellison who has submitted his testimony for the record. John, what is the average PILT payment to Elko County for public lands in Elko County per acre? If you have got an estimated acre amount.

Mr. ELLISON. Well, I think it averaged out about two cents an acre and this year it was increased to \$1.2 million, I think, was it not, Mike?

Mr. NANNINI. Mr. Chairman, it averaged out to about 22 cents an acre.

Mr. ELLISON. Well, that does not include the Forest Service. That is just strictly BLM.

Mr. GIBBONS. So Elko County is receiving about 22 cents an acre for all of the Federal lands in terms of taxes or PILT, payment in lieu of taxes?

Mr. NANNINI. It is about \$1.5 million. They have boosted it up to about \$1.5 million a year.

Mr. ELLISON. And I think the last—this is the first increase we have had in two years, is that correct, Mike?

Mr. NANNINI. [Nodding head affirmatively.]

Mr. ELLISON. It still does not cover the—

Mr. GIBBONS. That is what my next question is. What are the deficiencies in county operation because you lack private property taxpayer base even though you do get a PILT payment? What are the deficiencies?

Mr. ELLISON. We have done reduction in staff throughout the county because of the gold prices in our area, which is our largest industry right now, with the PILT—even with the PILT and the ad valorem coming in, with the shortfall we had this year. So we did have reduction in staff and services through Elko County.

Mr. GIBBONS. Mr. Carpenter, let me ask you a question, because Commissioner Nannini brought it up. The no-net-loss of private land concept. That is a concept that I am sure—according to your poll—many of the people in Elko County and in rural areas would support. Would you support a legislative proposal that included a no-net-loss of private lands in Elko or other rural counties in Nevada?

Mr. CARPENTER. Well thank you, sir. I certainly think that that is something that needs to be looked at. We have had a little experience with that in Elko County. A few years ago there was some speculators that came up there and they wanted to buy a large chunk of land in Elko County. So I went to the county commissioners, and Senator Norm Glazier, you know, also. We went to the county commissioners and said, you know, if these people buy this ranch it is going to take a large chunk out of our economy. So the county commissioners told the developer, the speculator, that—and he was going to trade that land down here in Clark County. So the county commissioners told him that before you can get title to the land in Elko County, you are going to have to buy another ranch in Clark County and do what we called a reverse exchange. So we have had some experience with that. It did work in that case. I guess what we would really like to see is that we have a Southern Nevada Lands Act for northern Nevada so they could just sell some of the land off up there. But certainly the no-net-loss is a better

deal than what is happening now. We just feel that we need to get more land into private ownership so that we increase that tax base.

Mr. GIBBONS. Let me ask one final question, Mr. Carpenter. Over the time period say of the last four years—three years, since the Southern Nevada Public Land Management Act has come into place, how much land has the Federal Government sold for private purposes in Elko County?

Mr. CARPENTER. I would not know the exact amount, but I think that it would be very little. I think that probably they—and I do not know the figures for sure. But I think that it is very little that they have sold. Even though the BLM says that they have classified land for disposal, we have a very hard time finding out where these lands are and what the procedure to buy them is. So the BLM has not been too much up front in the lands that they say that are there for disposal. It is really hard for people to get a handle on it.

Mr. GIBBONS. We will have Mr. Abbey here and perhaps he can help us with that question as well.

Mr. Goicoechea, maybe you have got an answer to that question from your standpoint. I also want to ask you about the impact of groundwater and water rights and the acquisition of private lands and how that impacts how you see water rights in your rural district, which obviously seven counties is a huge area out of the central part of the State.

Mr. GOICOECHEA. Thank you again, Congressman Gibbons. Eureka County—you talk about the no-net-loss, Eureka County has a component of their master plan that requires that there be no net loss to the county. Unfortunately what you end up with, are you talking acre for acre, net loss or are you talking comparable values where maybe one acre is worth 100 of what you get back in exchange. It is very difficult to work through. So I think the net loss provision is very difficult.

I think, again, as Mr. Carpenter stated, when you talk about land disposals in northern Nevada there are several that are ongoing, some of them very large. I think the BLM is doing a good job of—or is trying to work through it. But again, they are so sorely underfunded. When we talk about PILT, again, we have to realize that PILT was only paid at 55 percent, I would like to remind the Congress. So we need those PILT dollars, too, in these local governments.

I am just going across all the questions that you raised to the other people. Clearly, I think it just fortifies the fact that we do need more money in the Bureau's hands and to access private land sales in northern—public land sales to the private sector in northern Nevada. We have to make money available to do the cultural—the real estate. If you started a transaction today, it will be five years before you get a 40-acre parcel purchased. It is not the fault of the BLM, it is just the fact that there is no money and staff available to get it done.

On the water rights side, of course, it is another issue. In my district it is—at least portions of my district are concerned about even the 10 percent of the Southern Nevada Public Land Management Act money that goes to Southern Nevada Water Authority. Technically that money—in some sectors it is felt that that money is

being used—or could be used to move to northern Nevada and to supply—I think the Act allows for the building of transmission lines. Again, some people in northern Nevada are very concerned that maybe we will have money coming out of the Southern Nevada Public Land Management Act that would facilitate water rights being moved from northern Nevada to southern Nevada. Any time you sell private property you sell the water with it. We are a beneficial use state, if you cannot use it, you lose it. If you sell the property the water is gone. So again, at the point that you acquire a piece of private land and it goes public then the water goes with it. That water is the lifeblood of rural Nevada, northern Nevada, all of Nevada. And we do recognize that southern Nevada will need some additional water.

Thank you.

Mr. GIBBONS. Thank you.

Mr. Nannini, let me ask you a question because you mentioned when I asked Mr. Ellison the value that you receive under PILT averages about 22 cents per acre. Would you rather have more privately owned land to be taxed or would you rather have PILT payments on more public lands into the county? Which would you prefer?

Mr. NANNINI. Larger PILT payments for sure, and that is a common-sense deal, I think. But just to add a little bit on your question. You know, presently the BLM has 90,000 acres that they would like to sell in rural Nevada, you might say, northeastern Nevada. There is just no way under their system, or under the Federal system, that they can put that land back into the economy. There is just no way they can do it. I have worked with several of the ranchers and some of the miners. An easy way to do it was to allow the ranchers to buy their allotments so that this threat of losing their AUMs is continually over their head. The yearly operation of their ranches is—it is always a threat on how many cows, how many AUMs they can run on those allotments. If we would just let those ranchers buy their allotments and let these mines buy the property, even at an assessed value. If there is gold on those lands, put the price up so they can buy it. The way it is now, and the way we were raised as politicians or as elected officials, is the mining industry has to buy a ranch or a piece of sensitive property and then trade, you know, and that is no different than what we are doing here in southern Nevada. But if these folks could be allowed to continue to exist and continue to build on their family ranches and to continue mining in rural Nevada that would help all of us.

Mr. GIBBONS. So what you are saying is, right now there is a quasi extortionary process between a mine trying to get a permit and a requirement that they go out and purchase a ranch in order to get the permit to operate the mine?

Mr. NANNINI. That is correct. If they find gold on a piece of BLM property—I will pick on the BLM right now—or Forest Service property, they have to go out and buy a piece of environmentally sensitive ground and then trade it back for that property. You know, that has been ongoing. We have lived with that. We have dealt with that. But now with this money from the Southern Nevada deal it is going to wipe us out. And why not let these ranching families and these mining families go out and pay mar-

ket—they are willing to pay market value. They paid that market value for their ranches. They paid two or three million dollars for a ranch. You know, they have paid several million dollars for trading land to get the gold. Why can we not do that on a direct deal and allow these folks to exist? That is all we are asking as Elko County commissioners.

Mr. ELLISON. Some of these areas are so far off—

Mr. GIBBONS. You have to speak into the microphone.

Mr. ELLISON. I am sorry, Jim.

Some of the areas that BLM listed for disposal was in very remote areas so it is kind of hard.

Mr. GIBBONS. Thank you. Thank you very much.

Let me turn over to Mr. Johnson for a second. You indicated in your testimony that you felt, and the State felt that 10 percent of the funds used to supply new residents with water is an adequate sum. Do you feel that 5 percent is an adequate sum for the educational needs for the kids of Nevada?

Mr. JOHNSON. Mr. Chairman, I would have to defer responding to that. The 10 percent is the Governor's testimony, and I do not feel qualified to—

Mr. GIBBONS. I am not asking you for a specific number of dollars, just your opinion. I mean you are here testifying on behalf of the Governor representing the State and you can give your opinion, whether you think 5 percent is adequate. If you think 10 percent is adequate for the water needs of Clark County, do you think 5 percent is adequate for the needs of the kids of Nevada?

Mr. JOHNSON. No, I do not.

Mr. GIBBONS. OK. Because you said you did not want to disrupt the 5 percent that is already existing. I mean this plan that we are talking about under our proposal would increase that to 35 percent.

Mr. JOHNSON. That is understood.

Mr. GIBBONS. It would not disrupt the 5 percent. It would just add a top to that, 30 more percent of the proceeds, which does not quite go to where the bill was originally when it was designed. Senator Ensign and former Senator Bryan had 50 percent of the proceeds used to go back to the education of the kids of the State; however, that was beaten back by some environmental groups and it threatened the passage of the Act to the point where the compromise was well, we will give you 5 percent for the kids. I just think that by selling land down here in Clark County and the added burdens that you hear, either Dr. Rulffes or Dr. Roberts talk about, that infrastructure seems to be as equally as important as the water infrastructure is, which is now twice as important as education seems to be.

Mr. JOHNSON. Congressman, personally I would agree that 5 percent is a minimum, but any more than that is certainly necessary, and it is indicated by what has happened thus far with respect to the funding that is being made available to the school operations and to the children's educational opportunities here within the State.

Mr. GIBBONS. I am not trying to put you on the spot, Mr. Johnson. I just want to get a comment into the record where the State sits on this issue.

Let me also ask a question—now this is going to be a little more subjective. Do you think, or does the Governor believe that the Federal Government is doing a better job of managing the lands in this state than the State?

Mr. JOHNSON. I can answer that in two manners, Congressman. Personally, I do not, and I would have to presume that the Governor shares that opinion or that I am in line with his opinion that the Federal Government is not doing a better job of managing the lands in Nevada than Nevadans could do such as you have indicated in your opening remarks.

Mr. GIBBONS. Thank you.

Let me turn real quick like over here to Dr. Rulffes. I had a question that I wanted to ask. I need to get this right because the need for security, safety, buses, construction that you testified to is critically important, yet we are always exploring ways to get resources specifically in the proposal that I have submitted. Clark County now seems to be on the record opposing additional revenues from this, and I just wanted to either clarify that for the record or maybe I misunderstood what you were saying. Is Clark County in support of getting additional revenues or are they opposed to getting additional revenues under this bill?

Mr. RULFFES. In support. May I go on for just another minute or so?

Mr. GIBBONS. Yes.

Mr. RULFFES. As a former superintendent of a rural and small school district, I have stood up many, many times and defended the needs of rural school districts. I would never want it to be suggested that we would want anything other than more money for rural schools. But to segue into the increased tax base that you mentioned to me, most of the increased tax base under the funding formula of this state goes to an offset so that the State portion is reduced to the school districts, all school districts. So only a small part of the increase in the tax base benefits directly the local school district, and that, too, is computed into the per-pupil cost.

Mr. GIBBONS. Well then it is an awful lot of differential when you take that tax base away from a rural county that takes the same revenue source. It then gets more state revenues if state revenues are available, but your county—Clark County is growing at such a tremendous rate that it—I do not believe the State of Nevada has ever reduced its funding share to Clark County in the last five years.

Mr. RULFFES. It reduces it by the increase in the amount of sales tax and property tax.

Mr. GIBBONS. Proportionately. But that amount still grows at an enormous rate because of the growth rate in Clark County, does it not?

Mr. RULFFES. It grows but our per-pupil does not grow.

Mr. GIBBONS. Yeah.

Mr. RULFFES. And so we are kind of in the same boat as the other school districts. And again, all of the school districts have inadequate funding to deal with the kind of support functions that I mentioned in my testimony.

Mr. GIBBONS. Well let me just ask just for the record clarification one more time. Does Clark County support the proposal of going

from 5 percent to 35 percent in the proceeds of the sale for education?

Mr. RULFFES. We support an increase to go to education. I do not believe we are qualified enough in the activity to say what the percentage should be in the terms of balancing it out, but we clearly support more of the dollars going to education—

Mr. GIBBONS. Fair enough.

Mr. RULFFES. —in whatever format.

Mr. GIBBONS. Dr. Roberts, we actually invited some of the Pahrump Valley schoolchildren to attend this hearing today, but they could not afford the bus trip over. Your school district could not afford the bus trip over here to Las Vegas, and that is 60 miles, is it?

Mr. ROBERTS. No, it was not budgeted.

Mr. GIBBONS. So your school district—when it comes to seeing Federal Government operation on a direct—is impacted dramatically by a lack of funding to allow these children to get the experience that they might have being able to sit out here in the audience, as these adults are, to see what happens at a Federal hearing.

Mr. ROBERTS. Well last year Nye County took a 2.8 million—

Mr. GIBBONS. Is your microphone on?

Mr. ROBERTS. It is.

Mr. GIBBONS. OK. I am sorry.

Mr. ROBERTS. Nye County took a \$2.8 million budget reduction. We actually lost 22 teacher positions and 20 staff positions.

Mr. GIBBONS. Did you have an increase in the number of children?

Mr. ROBERTS. We did not last year. This year we did have an increase. We actually buy—we buy Clark County's used buses. When they get to the point they no longer want them, they are kind enough to sell them to us, and we appreciate it.

Mr. GIBBONS. I am sure you appreciate that, but it makes you feel like a stepchild, does it not? You are getting the used clothes or the used school buses handed down to you.

Mr. ROBERTS. It is very difficult to recruit people to live in areas where there is no hospital, where the closest store, gasoline station or restaurant is over an hour away. It is a 5-hour drive from Duckwater to Pahrump, on and on.

Mr. GIBBONS. Let me say that I have had the great pleasure of being in Duckwater for the annual commencement, the graduation from the Duckwater school there. This was a couple of years ago. I was the keynote speaker, and they had one student graduating that day. There were 80 parents in the audience for that one student, which tells me that there is a great deal of involvement of parents in that school area around Duckwater, Nevada. I was very pleased to be able to celebrate the graduation of that one student from Duckwater School, which is a traditional one-room, one-teacher kindergarten through eighth grade or ninth grade.

Mr. ROBERTS. Also handles lunch, recess, medical emergencies and occasionally drives the bus.

Mr. GIBBONS. Well it was an amazing experience to be there for that. So I congratulate you and Nye County on the work they are doing as well with very limited resources.

Before I excuse this panel, I want to propose two questions to all of you to submit in writing to us. The question is, do you have more faith in how Nevada lands are cared for under Federal control or under State, county and local control? That is one question. The second question is, do you believe additional Federal ownership of Nevada lands constitutes a better educational environment for our children? Very simple, open-ended questions that I would love to have you submit back to us in writing.

I do not know if I have any more questions here. So at this point in time, what I would like to do is excuse the first panel. I want to thank you for taking time to come here. As I said, your full and complete written testimony will be submitted for the record. With that, we want to excuse the first panel and call up the second panel of witnesses today. Thank you, gentlemen, very much.

Now the second panel is going to be Mr. Larie Trippet, President, Dust Devils Motorcycle Club and a Member of the Northwest Sierra Front Great Basin Resource Advisory Council for the Bureau of Land Management in Reno, and Mr. Donald Decker, Management Member, Century Gold, Limited Liability Corporation, Spring Creek, Nevada. It is pretty easy, just two gentlemen here today on this panel. That means you get more focus and more attention. Before you do sit down, I am sorry, I have to swear you in as I did the last. So if you will please rise and raise your right hand.

[Witnesses sworn.]

Mr. GIBBONS. Let me introduce each of you again.

Mr. Larie Trippet, as I said, you are President of the Dust Devils Motorcycle Club, you are a member of the Northwest Sierra Front Great Basin Resource Advisory Council here in Nevada. With that, Mr. Trippet, welcome, the floor is yours. We look forward to your testimony.

And again, if you need an explanation about the lights, it is limited to five minutes.

**STATEMENT OF LARIE TRIPPET, PRESIDENT, DUST DEVILS
MOTORCYCLE CLUB AND MEMBER, NORTHWEST SIERRA
FRONT GREAT BASIN RESOURCE ADVISORY COUNCIL,
BUREAU OF LAND MANAGEMENT, RENO, NEVADA**

Mr. TRIPPET. Thank you very much, Congressman Gibbons. I appreciate the opportunity to speak. It is an honor and a privilege to be here.

I have been an active motorcycle rider since about 1970 and was politically active in southern California with the issues of land use down there and I have been active in northern Nevada as well. My role on the Resource Advisory Council is as a highway vehicle advocate.

I am pleased to hear that you are considering some alternatives to the dispensation of the funds from the Southern Nevada Public Lands Management Act. Because I am here mainly talking about recreation, I certainly am not opposed to spending more money on education. I do not want that to come across at all. In fact, in thinking, certainly recreation, the base of the word is to recreate that certainly should be part of an education of our children. The use of the land, the respect for the land, the stewardship for the land. So I believe that recreation is certainly a component of the

education of our children but certainly not the formal structured education that they get in the schools.

I think a positive and proactive use of the funds would be for effective management of recreation, and although my background is highway vehicle recreation, I do want to speak to all recreation. I think that is fair.

Demand for recreation in Nevada is increasing. In northern Nevada, we see a tremendous increase of off-highway vehicle use at the Sand Mountain Recreation Area. A majority of those visitors are from California. So what we see is an impact on the economy, a positive impact on the economy, of these tourists coming into Nevada to recreate. Certainly with the urban pressures in Clark County and Las Vegas, I would suspect that many of those residents, with their families, would choose to leave Clark County and go to rural Nevada to recreate, whether it be hunting, fishing, hiking, off-highway vehicles, whatever the case may be.

We also see increasing demand for recreation in Peavine Mountain outside of Reno and the Pine Nut Mountains outside of Carson City. All these areas are getting impacted by the increase in recreation and certainly could use additional funding for effective management of recreation.

The key overriding issue is access to public lands and I want to make a point that management of land for recreation is not closure and restriction. It is my belief that we need a fair amount of land for multiple uses, to design, engineer, build and maintain quality trails, to provide signage, mapping, education, to provide reasonable law enforcement. In order to provide the recreation and to do it effectively takes money.

As I have mentioned, recreation supports the economy. The visitors come into Nevada, they are buying gasoline, they are buying supplies, they are taking use of the economy. It provides a diversification for the State over and above the gaming attraction and as you have probably noticed, the Nevada Commission on Tourism is marketing Nevada as the wild place, the wild place to recreate. In our Resource Advisory Council we have wondered how the BLM and the Forest Service will manage this influx of tourism that the Nevada Commission on Tourism is inviting. We have had some panel discussions on that. So I am here to argue for a little bit of funding to support recreation in Nevada.

I also wanted to talk about the consequences of the Southern Nevada Public Lands Management Act, but they have already been mentioned, so very briefly, one of the first things our Resource Advisory Council mentioned when round one of the acquisitions came up was that there was no money for improvements. The Federal agency might be able to buy land, but if there was a need for a parking lot, need for signage, need for a toilet, need for a picnic area, there was no money for improvements to make it more publicly accessible or usable. And there was no money for ongoing maintenance and management of the land. So those are two deficiencies that we noticed. And I am not speaking for the RAC, I am speaking for me and the conversations that I have had with some of those people on the RAC.

We have also already talked about the percentage of Federal land in Nevada. Some of my contacts on the Resource Advisory

Council have also expressed the no net loss concept and I thoroughly support that idea.

That is the end of my oral testimony. Thank you very much for the opportunity, I appreciate it.

Mr. GIBBONS. Thank you very much, Mr. Trippet.

We will turn now to Mr. Donald Decker. Mr. Decker, welcome, the floor is yours. We look forward to your testimony.

[The prepared statement of Mr. Trippet follows:]

Statement of Larie Trippet (Larimore O. Trippet II), President, Dust Devils Motorcycle Club, Member, Bureau of Land Management's Northwest Sierra Front Great Basin Resource Advisory Council, Reno, Nevada

I would like to thank the members of this Committee for allowing me the opportunity to submit testimony on this topic.

As I understand the purpose of this hearing, the Subcommittee is considering amendments to the Southern Nevada Public Lands Management Act (SNPLMA), which will allow for alternative uses of the money raised from the sale of federal land in Clark County, Nevada. Currently, the Act provides for the purchase of "environmentally sensitive" land outside of Clark County, but within Nevada. The land sales in Clark County have exceeded expectations with respect to revenue generated, while purchases of land have been more difficult to achieve.

I applaud Congress's willingness to look at this issue.

I first want to comment on some discussions I have had at RAC meetings. I do not speak on behalf of the RAC, nor for the BLM in Nevada, but simply relate some feelings and opinions discussed by some of the RAC members.

Three years ago, our RAC was involved in commenting on potential sites for purchase with SNPLMA funds. It was the first such "round" of purchases. Several of us asked about money to make improvements or to manage and maintain the land once purchased. An example of improvements might be like this: Some land was purchased along the Carson River to provide public access and prevent major development. Improvements might be considered for better parking, signage, picnic facilities, toilet facilities, etc. These all might be appropriate improvements to better manage the land that was acquired. SNPLMA does not provide for this. It should!

Similarly, we asked about funding for ongoing management of the acquired land. SNPLMA does not provide for this. It should!

What SNPLMA does is provide for acquisition of land with no money to properly "set it up" for use or to properly manage it over the long run. This is a terrible oversight! This is true regardless of the purpose of the acquired land: protected, recreation or other.

Other comments from some RAC members focus on the percentage of the State of Nevada that is under federal control. Nevada has the highest percentage of federal ownership than any other state. When I joined the RAC three years ago, I agreed with the sentiment that there should be NO NET GAIN in federal land ownership in Nevada and that, preferably, that percentage would actually decrease.

However, the consequence of the SNPLMA is that the percentage of federal land ownership in Nevada is/will grow. From my understanding of the success in selling parcels in Clark County, the BLM is taking in huge amounts of money for a small number of acres. If that same money were used to buy land outside of Clark County, the number of acres would be HUGE. In my opinion, this is a very NEGATIVE consequence of SNPLMA.

Of course, one of the effects of private lands being acquired by BLM/USFS is the reduction in tax revenue to the counties and State. Nevada is already struggling with the following:

- the low price of gold has caused the mining towns economies to suffer;
- environmental regulations have further squeezed the mining businesses and communities;
- endangered species issues and environmental regulations have hurt the ranchers and livestock production; and
- Congressionally designated lands (in particular the High Rock Black Rock Emigrant Trail Conservation Area) has precluded potential alternative energy development and reduced grazing opportunities.

To acquire and set aside more land would continue to harm Nevada's economy.

With these two points in mind, I strongly encourage Congress to find alternative uses (other than acquiring land) for the proceeds of land sales in Clark County.

What might be some alternative uses?

My interest and background are centered around recreation. Although my specific background and interest is in motorized recreation, I believe my comments apply to all forms of recreation. By including all forms of recreation, I want to ensure that the resources (land) are shared by all. Most areas should be kept as "multiple use," thereby allowing ALL forms of recreation (motorized and non-motorized). This does not preclude some areas designated for exclusive use for some forms of recreation. Hikers and equestrians already get exclusive access to Wilderness areas.

Why recreation? It brings visitors from other states to Nevada to recreate. Nevada has some outstanding resources for all sorts of recreation and access to wide open spaces and solitude. Allowing SNPLMA funds to benefit statewide recreation on federal land would be a great economic benefit to Nevada and provide for appropriate management of activities to promote resource stewardship and land use ethics.

I am involved with land use issues at the Sand Mountain Recreation Area (SMRA) in Northern Nevada. This is about 4,000 acres set aside for OHV (and other) recreation. However, concerns about a blue butterfly, and its host plant, the Kearney Buckwheat, along with fears over the heavy hand of the Endangered Species Act, have caused the BLM to restrict travel in this area. It is well-known that about 80-85 percent of the visitors to SMRA are from out of state, California. These visitors provide an economic benefit to the surrounding communities of Fallon, Carson City and Reno.

The number of annual visitors to SMRA has increased every year since it was established. This is due to the population growth in Nevada along with the constant closures of land to OHV recreation in California. The demand for OHV recreation continues to grow. Use of SNPLMA funds can help meet that demand and help minimize the impact to public lands.

With additional funding from SNPLMA, trails could be planned, engineered and constructed to provide for a better recreational experience while providing protection for the butterfly. Existing trails that would get used extensively could be maintained through the purchase of appropriate equipment and manpower to do the work.

Once again, let me reiterate that I support all forms of recreation. I use OHV examples because I most familiar with that.

Another area that could benefit from additional funding is Peavine Mountain outside Reno, Nevada. The Washoe County Backcountry Coalition is a diverse group of interested parties working together to ensure access to Peavine Mountain, which is part USFS and part BLM. They have been very successful in gaining support from the City of Reno, Washoe County, as well as several developers. Were it not for their efforts, access points to public land would have been blocked by development.

Additional funding could be used for:

- effectively designating and signing areas for multiple use or specific use;
- maintain roads and trails; and
- plan, design, engineer and build new or alternative trails.

Although I generally oppose the acquisition of more land by federal agencies, Peavine Mountain is an example where it does make sense. There are inholdings of private land that, if acquired, would provide recreational opportunities, open space, and habitat protection.

The Nevada Commission on Tourism is already marketing Nevada as a wild place for all sorts of recreation possibilities. Since so much of Nevada is federal land, it is the federal agencies that will have to manage this influx of wild recreational tourism. Clearly additional funding from SNPLMA activities could help provide for effective management of these activities. I personally think this is a pretty good marketing campaign for tourism. It should bring needed revenues outside of the draw of the gaming industry. However, the federal agencies need the resources (money) to properly manage it. CLOSING THE LAND, PREVENTING ACCESS, RESTRICTING USAGE IS NOT THE ANSWER! Proper planning and management to meet the demand is the best approach...and that takes money.

Once again, thank you for the opportunity to submit testimony as you consider amendments to SNPLMA. I hope that some funding can be directed toward recreation to meet the increasing demand and to ensure the resources are well managed by the federal agencies.

**STATEMENT OF DONALD DECKER, MANAGING MEMBER,
CENTURY GOLD, LLC, SPRING CREEK, NEVADA**

Mr. DECKER. Thank you, Congressman Gibbons. I appreciate very much the opportunity to be here and to testify on this very important public land management legislation.

I have chosen to live and operate a business in Nevada for over 30 years. I have a Master of Science in geology from the Mackay School of Mines in Reno and presently operate the second largest privately held mineral exploration firm in northern Nevada. I also serve on the Elko County Public Land Use Advisory Commission, which is designated by the county commissioners. I have been involved in public land issues all of my life.

Nevada has been severely impacted by a multitude of piecemeal land management legislation decisions over the last 150 years. Several of these actions in recent years have addressed broadening the private land base in southern Nevada, which has sustained the economic growth in southern Nevada for many years. The Southern Nevada Public Land Management Act offers a unique opportunity to address many public land management issues at one time, if we avoid the piecemeal approach of the past.

Southern Nevada Land Management Act provides a method to convert public land to private land base within the State. This is working very well for Clark County and southern Nevada. Through this Act, the private land and water base that is required for any economic growth engine, is being increased in southern Nevada, while being decreased in the remainder of the State. This needs to be corrected.

There is a discussion about the acquisition process of using the monies from the Act and I certainly support the principle of private property rights. We just have to realize though that the acquisitions made by the monies from the Southern Nevada Land Act are not a free market transaction. It may be argued that they are, but they are not necessarily a willing seller/willing buyer. I actually personally have offered to buy some of the parcels that have been offered in round four and they were not available to me at the same price as were offered by the Federal Government.

I basically have three recommendations for consideration:

One is to convert existing public lands in all areas of the State to private lands. Presently over 87 percent of Nevada is public land, which restricts the economic activity. We can say that the PILT payments would compensate for that, and they do, but to a very limited extent, but they do not offer the opportunity for any other activity besides just a token payment from the Federal Government.

The Nevada Association of Counties, NACO, has a policy of no net loss of private land acreage in all of the counties, in order to protect the tax base. The Southern Nevada Land Act should make provisions for disposal of public lands to private lands of equal acreage or value within any particular county where private land acquisitions are made. There is no pressing need to increase the control of public lands in the Federal agencies within the State. These agencies are continually lacking funding to carry out their designated managerial roles. To increase their land holdings would only stretch the limited resources they presently have.

The subject of the lands in Elko County that are available for sale has been brought up. I have seen a map, there are approximately 100,000 acres, which is designated as for sale. At the present time, I believe there is around 1,000 acres which is actually designated as being for sale, but those are only designated by the BLM, they are not on a nomination process such as we have here in the Southern Nevada Land Act where I can nominate a parcel of land for sale. So the process is very limited in Elko County as far as the sale of those parcels. And the ones that are, I think it is around 1,000 acres total that is available presently in Elko County. And that is several parcels so they are very limited, very small parcels.

Second, I would encourage the economic activity by privatization. All the tremendous economic activity in the last 50 years in Nevada has been encouraged and made possible by private land base. Warehousing, gaming, mining are all dependent upon the availability of private land. Private land and the availability of water are the driving forces of economic viability and diversification.

We just need to stop the piecemeal legislation. An excellent example of the cooperative land management legislation is the Alaska Native Claims Settlement Act and other legislation over the last 25 years, which provided for designation of specific scenic and wildlife resources as well as the designation of specific areas for economic development. All the people of Alaska were given the opportunity to use the resources, they have for years, and the varied legislation in Alaska since the early 1970s has proven to be a very workable vehicle to address the varied resources available. This format to apply to the Southern Nevada Land Act would be something to consider.

Also, through the disposition of land to the State of Alaska, they have set up what is called a permanent fund. The term of a permanent fund was brought up for educational funding here. And the State of Alaska has a permanent fund from revenues derived from the State lands—it is not a Federal permanent fund but a state permanent fund—which apparently works very well.

The lack of addressing some of this piecemeal legislation, the wilderness study areas is an excellent example of that. We have about 200,000 acres of that in Elko County and maybe half of that has been agreed to be yeah, that could have wilderness value, but the other 100,000 acres is just in limbo and has been for 20 years. So we just need to address it.

The third area is recreational opportunities. The conversion of public lands to recreational uses at the same time, setting aside multiple use concepts for the land is a dangerous route to take. Several of the legislative acts in the last 50 years have provided private lands for southern Nevada while protecting specific parcels for recreation in the Tahoe Basin. I believe this is primarily the Burton-Santini Act and the designation of recreation in environmentally sensitive areas has in effect limited the public access to the lands for any use. A massive transfer of money to the Tahoe Basin has not led to a proportional increase in the availability of or access to the public land and the public lake.

We have the example of Arrowhead Lake in California was brought up, which is an excellent example of that, which had led to the same exact thing in Tahoe Basin, which is a tinderbox ready to turn.

We have a case in Elko County, which is Franklin Lake, which was a Federal/state purchase of a ranch about 12 or 15 years ago, which part of that was designated to be increased access to the Ruby Mountains. It has not come about. The Federal Government says they need more access into the Ruby Mountains but yet they have had this designated for that many years and no action has been taken on it.

The concept has been used to actually limit the access to specific areas. Recent legislation approving the increase of user fees for National recreation areas indicates a lack of funding for these facilities. These agencies are continually limited by funding restrictions and the lack of updating the recreational facilities that they are to serve. More private land-based recreation is a good alternative, and the use of Southern Nevada Land Act to enhance the recreational opportunities would be a great alternative.

We all need to look at using Southern Nevada Land Act as a win-win solution to challenging land use issues in the next few years. Please do not let it continue to benefit only one small portion of the State while expropriating the economic resources of the other portions of the State.

Thank you.

[The prepared statement of Mr. Decker follows:]

**Statement of Donald J. Decker, Managing Member,
Century Gold LLC, Spring Creek, Nevada**

Thank you for the opportunity to testify on this very important public land management legislation. I have chosen to live in and operate a business in Nevada for over 30 years. I have a Master of Science in geology from the Mackay School of Mines in Reno, and presently operate the second largest privately held mineral exploration firm in northern Nevada. I also serve on the Elko County Public Land Use Advisory Commission. I have been involved in public land issues all of my life.

Nevada has been severely impacted by a multitude of piecemeal land management legislative decisions over the last 150 years. Several of these actions in recent years have addressed broadening the private land base in Southern Nevada, which has sustained the economic growth in that area for many years. The Southern Nevada Public Land Management Act (SNPLMA) offers a unique opportunity to address many public land management issues at one time, if we avoid the piecemeal approach of the past.

SNPLMA provides a method to convert public lands to the private land base within the State. This is working very well for Clark County, and Southern Nevada. Through this act, the private land and water base that is required for any economic growth engine is being increased in Southern Nevada, while being decreased in the remainder of the State. This needs to be corrected in order to sustain the quality of life in all areas of the State.

RECOMMENDATIONS FOR CONSIDERATION:

1. CONVERT EXISTING PUBLIC LANDS IN ALL AREAS OF THE STATE TO PRIVATE LANDS

Presently over 85 percent of Nevada is public lands, which restricts the economic activity. The Nevada Association of Counties (NACO) has a policy of no net loss of private land acreage in all of the counties in order to protect the tax base. SNPLMA should make provisions for disposal of public lands to private lands of equal acreage or value within any particular county where private land acquisitions are made.

There is no pressing need to increase the control of the public lands by the federal agencies within the State of Nevada. These agencies are continually lacking funding

to carry out their designated managerial roles. To increase their land holdings would only stretch the limited resources further.

2. ENCOURAGE ECONOMIC ACTIVITY BY PRIVATIZATION

All of the tremendous economic activity in the last 50 years in Nevada has been encouraged and made possible by the private land base. Warehousing, gaming, and mining are all dependent upon the availability of private lands. Private land and the availability of water are the driving forces for economic viability and diversification.

An excellent example of cooperative land management legislation is the Alaska Native Claims Settlement Act and other legislation that has provided for designation of specific scenic and wildlife resources as well as designation of specific areas for economic development. The native people in Alaska were given the opportunity to use the resources they have on their lands to provide a more sustainable lifestyle. The varied legislation in Alaska since the early 1970's has proven to be a very workable vehicle to address the varied resources available. This format to apply the SNPLMA would be very beneficial.

3. RECREATIONAL OPPORTUNITIES

The conversion of public lands to "recreational uses" at the same time, setting aside "multiple use" concepts for the land, is a dangerous route to take. Several of the Legislative acts in the last 50 years have provided private lands for Southern Nevada, while protecting specific parcels for recreation in the Tahoe Basin. The designation of "recreation," or "environmentally sensitive" areas, has, in effect, limited the public access to the lands for any use. The massive transfer of money to the Tahoe Basin has not led to a proportional increase in the availability of, and access to, the public access to the lake.

This concept has been used to actually limit the access to specific areas. Recent legislation approved the increase of user fees for National recreational areas and indicate the lack of funding for these facilities. These agencies are continually limited by funding restrictions, and the lack of updating of the recreational facilities they are to serve. More private land-based recreation is a good alternative, and the use of SNPLMA to enhance the recreational opportunities would be a great alternative.

We all need to look at using SNPLMA for a Win-Win solution to challenging land-use issues in the next few years. Please do not let it continue to benefit only one small portion of the State, while expropriating the economic resources of other portions of the State.

Mr. GIBBONS. Thank you very much, Mr. Decker.

I was particularly struck by the part where you said that you have a Master's Degree in geology from Mackay School of Mines.

Mr. DECKER. Good school.

Mr. GIBBONS. I guess we cannot all be perfect, since I share that commonality with you.

Mr. DECKER. Right.

Mr. GIBBONS. Let me just ask you a brief question. What I gathered from your testimony was that you said that acquisition of private land to put into public holdings oftentimes results in less access or denied access or no greater access to the public land. Especially you were talking about the Franklin Lake acquisition up in Elko County. Is that what you were saying that not always does acquisition by the government result in greater access?

Mr. DECKER. I believe that is true. I think Franklin Lake is a classic example of that, where the access was apparently to go forward.

Another case is the Pequot Mountains where the 70,000 acres was traded out a few years ago, but there is no increase in the access, it is just the same as it was. Actually the road system to access most of the public lands, the Forest Service is a great example, are the county roads which are maintained by the county to provide access to that. So it does limit the access.

Mr. GIBBONS. Mr. Trippet, let me ask you, you have been around recreational vehicles, off-road, motorcycle riding for a little more than three decades. In your experience over those three decades, have you found the Federal land management agencies to be more or less recreation friendly than they were 10 years ago?

Mr. TRIPPET. Well, with respect to motorized recreation, the Federal agencies are much less friendly. One of the comments that I make at our Resource Advisory Council—because we have many points of view on that Council—is that over the past 30 years, the lands available to motorized recreation have shrunk and shrunk and shrunk. And my goal is to try to stop that shrinkage. And I do not want to deny the need for some wilderness areas, I do not want to deny some areas for exclusive use for hikers or equestrians, but we need some areas for some other recreation. So in a broad general statement, I would say the Federal agencies are less friendly to off-highway vehicle motorized use now than they were before.

Mr. GIBBONS. Is it just that they are concerned about the quality of the environment where a lot of off-road recreation takes place or are they refusing to provide alternatives? In other words, do they just want to restrict down your operating area to more and more smaller areas until they get to a zero point or do they say we are going to take 100 acres out of you here, you cannot operate here but we are going to let you operate on 100 acres over here? Is that what you experience?

Mr. TRIPPET. The concept of no net loss that we apply here to Federal land in Nevada I also try to apply to off-highway vehicle recreation and I try to say that if the Federal agencies want to restrict us in one area or close another area, I say give us a different area to go to. Sometimes it is a function of the quality or the terrain in question. For example, Sand Mountain Recreation Area is a mountain of sand that ATVs and dune buggies like to ride on. To close or restrict part of that area, there really is not another similar area to open up. So that is a challenge.

Mr. GIBBONS. Well, I can see that if you restrict an area, you force the same number of people that were operating in a large area into a smaller operating arena, which does even more damage or wear and tear on the land by forcing that same number of people into a smaller and smaller arena.

Mr. TRIPPET. Yeah, it concentrates the impact, absolutely. Some of that impact could be handled with appropriate management. There are tractors and devices that can smooth out the trails and to maintain the trails such that the impact is minimized. But again, that takes money.

Mr. GIBBONS. Mr. Decker, I wanted to step back to your testimony for a moment. Even though this hearing is about increasing the percentage of proceeds going to education, you mentioned something in your testimony that I just wanted to kind of go over and get onto the record, because you indicated that in the acquisitions or the sale of private property in northeast Nevada, that even though this was a “willing seller/willing buyer” to the Federal Government, if you walked in and were willing to buy the property, you were not allowed to make the offer or to buy the property. Can

you explain that a little more? This is a foreign concept to me. Why did that take place?

Mr. DECKER. Well, I may have been too late in the process, I am not sure. But I did ask the ranch if they had some other land available at that price, which was above, probably above market price, I think Realtors in the area could address that better, but I am not totally sure except maybe—the particular parcels I was interested in were in the top of the Santa Rosa range between Winnemucca and McDermott, along the drainages, and the Nevada First Corporation was selling them, but I do not believe it is a willing seller/willing buyer transaction. It is not at all a free market transaction. And I know the argument comes up that we cannot restrict the private property rights of a person, but if you really are supporting that private property rights, then it should be a willing seller/willing buyer, free market transaction.

Mr. GIBBONS. Let me ask one final question, Mr. Decker, and that is the difference between what benefits would accrue to a county from mineral resources on private land versus mining mineral resources on Federal lands? Do you have an idea or a concept that you could share with us?

Mr. DECKER. Well, I think the primary benefit to the county from the mining is obviously through the Net Proceeds in Mines tax which was a process which was put in place by the mining industry in the early 1980s, which is a tax on your net proceeds which goes to the State back to the counties. And I am sorry, I do not have the figures per acre in the county with me. I will get those.

Mr. GIBBONS. Would you? For the record, that would be great.

Mr. DECKER. I guess it would be probably about 5 percent of two billion dollars for the last couple of years that would go back to the State, but that is overall in the State.

Other than that, of course there is tax revenue on the buildings and the land, ad valorem tax on the land. But many of the mining companies have moved and transitioned from public land to private land in the last 10 years, just because—part of that is the permitting process is easier on the private land and you have more control over what you are doing.

I would estimate in at least Elko and Eureka Counties that probably 60 or 70 percent of the mining activity, economic mining activity, is probably on private lands and part of that has obviously been through the process of patenting mining claims which has—did proceed, but it is under moratorium now.

Mr. GIBBONS. Yes. So I guess the real issue is that there is a defined benefit for a county to have an operation on private land based on property tax basis versus an operation on public land which does not generate a tax base other than the net proceeds of mines royalty to the State which comes back to the county.

Mr. DECKER. Right, I think so.

Mr. GIBBONS. Well, gentlemen, I do not have any more questions for you at this point in time. I did want to again ask those same two questions, which I know you heard from the previous testimony about the confidence in whether land is better managed by the Federal Government or the State, county and local agencies. And the second question is does the State benefit, do the children

of this state benefit in terms of education by having more public land and less private land, or vice versa?

So if you could just sort of summarize your answer to those two statements and provide it back to me with the other information, Mr. Decker, that you were going to provide, I would appreciate that as well.

I want to thank both of you for coming down to Las Vegas and taking time out of your busy schedule to help us better understand our job and what we are doing here. Your testimony has been very valuable, very helpful to the Committee as well. With that, we will excuse the second panel with a great deal of thanks.

And we will call up the third and final panel, which is Bob Abbey, who is the Director of the Bureau of Land Management, the State of Nevada. Bob, it is always pleasure to have you here testifying with us. As you can see, you are all by yourself, that makes you the star of the show. While you are standing there, let me swear you in. Would you raise your right hand.

[Witness sworn.]

Mr. GIBBONS. Let the record reflect that the witness answered in the affirmative.

**STATEMENT OF ROBERT V. ABBEY. STATE DIRECTOR,
NEVADA BUREAU OF LAND MANAGEMENT**

Mr. ABBEY. For the record, my name is Bob Abbey, I am the State Director for the Bureau of Land Management here in Nevada.

Once again, Congressman Gibbons, it is my pleasure to appear before one of your field hearings, in this case to discuss the Southern Nevada Public Lands Management Act of 1998.

Nevada's Congressional Delegation is commended for its vision and innovation in developing this law. This legislation allows the Bureau of Land Management to sell public lands in the Las Vegas Valley to meet the demands for community expansion and economic development, and to use these proceeds from these sales to address critical environmental and education needs in Clark County as well as other areas of the State. This legislation has been successful in bringing various groups together to address resourcing and growth issues in Nevada.

Since you have already provided some basic background on the legislation, I will just kind of limit my comments along those lines, but as you pointed out, this legislation promotes competitive land sales that allow the public to have an opportunity to acquire public lands through competitive market auctions.

I provided this Committee with a handout that highlights the various categories of expenditures that have been authorized under this Act and the dollar amounts approved to date in each of those categories. You have also already pointed out that 5 percent of all the revenues generated from the sale of these lands go to the State general education fund for the education of Nevada's schoolchildren. Ten percent goes to the Southern Nevada Water Authority to fund the infrastructure needed to help support the development resulting from land sales. And the remaining 85 percent is deposited into a special account and is available to be spent in six categories, which you have already identified.

Since enactment of this legislation in 1998, the Bureau of Land Management and our partners have generated more than \$690 million by selling a little more than 5600 acres of public land at 15 public auctions, including nine oral auctions and six online auctions. The amount of revenues that have been generated certainly has far exceeded our original projections when the law first passed.

Local government entities in Clark County determine both the sequence and timing of the lands that we offer for sale. Clark County and the cities of Las Vegas, North Las Vegas and Henderson agree on what parcels they would like to have us offer at these sales and then advise the Bureau of Land Management of their decisions and we try to accommodate their wishes.

I wanted to spend a brief moment giving an overview of the full spectrum of the lands disposal program for the Bureau of Land Management here in Nevada. In addition to the lands that have been designated for disposal in the Southern Nevada Public Lands Management Act, the BLM has identified, as you heard from previous witnesses, approximately one million additional acres of land throughout the State, under other authorities, that are also available for disposal. These are lands that are designated for disposal into private ownership through a very public planning process that provides for community expansion and economic development. Recent disposal actions include the sale of approximately 7700 acres to the city of Mesquite under the Mesquite Lands Act. And we are working with that same city on conveyance of an additional 4500 acres of land near their airport.

The BLM is offering for sale 13,500 acres under the Lincoln County Lands Act of 2000. Over the next several years, we also plan to offer for sale approximately 21,000 acres of land in 13 Nevada counties outside of Clark County.

In addition to providing much needed revenues to the State education fund, the Bureau of Land Management has conveyed land to communities throughout Nevada for schools and other facilities through the Recreation and Public Purpose Act. This legislation allows state and local governments and qualified nonprofit organizations to acquire public lands for schools, fire houses, municipal and law enforcement facilities, hospitals, churches, parks as well as fairgrounds. Over the past 15 years, the Bureau of Land Management has conveyed approximately 7500 acres in 105 areas throughout Nevada under the Recreation and Public Purpose Act. A significant number of R&PP transfers exist in Clark County which has the highest number of recreation and public purposes transfers, bureau wide, as throughout the nation.

Additionally, the Clark County Public Lands and Natural Resources Act of 2002 directed the BLM to convey public lands to the city of Las Vegas for the development of low income housing, to establish a research and technology center at the University of Nevada at Las Vegas, to the Las Vegas Metropolitan Police Department for a shooting range and to the city of Henderson to expand the Nevada State College.

Under the specific laws that have been supported, and in many cases authored by the Nevada delegation, the Bureau of Land Management is presently taking actions to dispose of approximately 100,000 acres of public land into private ownership to accommodate

community growth and economic development. The partnership among Federal, state and local governments has been a good one and the public has truly benefited from the actions that have been taken today to implement the provisions of the Southern Nevada Public Lands Management Act as well as some of the other specific legislation.

We believe that the lands which have been identified for acquisition through the first four rounds of the implementation of the Southern Nevada Public Lands Management Act will enhance the public's realty portfolio and provide an overall enhancement of their quality of life.

Congressman Gibbons, again, we appreciate the opportunity to be here and I am willing to answer any questions that you might have.

[The prepared statement of Mr. Abbey follows:]

**Statement of Robert V. Abbey, Nevada State Director,
Bureau of Land Management, U.S. Department of the Interior**

Thank you for the opportunity to participate in today's field hearing to discuss the Southern Nevada Public Lands Management Act of 1998 (SNPLMA). Nevada's Congressional Delegation is to be commended for its vision and innovation in developing this law. SNPLMA allows the Bureau of Land Management (BLM) to sell public lands in the Las Vegas Valley to meet the demands for community expansion and economic development, and to use the proceeds from these sales to address critical environmental and educational needs in Clark County and other areas of Nevada. Decisions on land sales and acquisitions authorized by SNPLMA in concert with other applicable laws, and funding for special resource projects authorized under SNPLMA, involve critical input and coordination with local governments and related local entities. SNPLMA has been successful in bringing various groups together to address resource and growth issues in Clark County and elsewhere in the State.

Background

SNPLMA promotes competitive lands sales that allow local interests to have an opportunity to acquire public lands through competitive market auctions. Because SNPLMA provides local governments the opportunity to participate in the selection of lands, and gives them the first right of refusal of lands to be used for public purposes, they are supportive of the Act.

The allocation of SNPLMA proceeds from the sales of public lands subject to SNPLMA is specifically outlined in the law. Five percent of the funds go to the State General Education Fund for the education of Nevada's schoolchildren; ten percent goes to the Southern Nevada Water Authority to fund the infrastructure needed to support the development resulting from land sales under the Act; and the remaining 85 percent is deposited into a special account and available to be spent on the following activities:

- to acquire environmentally sensitive lands in the State, with an emphasis in Clark County;
- to support wildlife habitat initiatives through the Clark County Multiple Species Habitat Conservation Plan;
- to fund capital improvement projects at designated Federal recreation areas in Clark County;
- to develop parks, trails, and natural areas in Clark County;
- to implement conservation initiatives in Clark County; and
- to restore Lake Tahoe.

Since enactment of SNPLMA in 1998, the BLM has generated more than \$690 million by selling 5,635.56 acres of public land at 15 public auctions, including 9 oral auctions and 6 on-line auctions. The funds raised thus far have provided the Nevada General Education Fund with nearly \$29 million; the Southern Nevada Water Authority with nearly \$53 million for new infrastructure; and over \$473 million has been deposited into the special account for the purposes noted above. These disbursements do not include funds generated from recent land sales.

Land Sales

Presently, approximately 49,000 acres of public land are within the disposal boundary designated by SNPLMA as amended by the Clark County Public Land and Natural Resources Act of 2002 (Public Law 107-282). The Clark County Act added approximately 22,000 acres of public land to the disposal boundary area. The BLM is currently developing an Environmental Impact Statement (EIS) to comply with the National Environmental Policy Act requirements for disposing of the additional lands. It is expected that this EIS will be completed in September 2004.

Local government entities in Clark County determine with BLM approval the sequence and timing of lands offered for sale through a process provided for in SNPLMA called "joint selection." Clark County and the cities of Las Vegas, North Las Vegas, and Henderson agree on what parcels they would like to have offered for sale and advise the BLM of their decisions. The BLM believes that it is appropriate for local governments to drive the timing and amount of land that is placed on the market because local officials must determine if the infrastructure, zoning, and other requirements are in place to accommodate the development that will result once the lands are conveyed into private ownership.

BLM contracts with the General Services Administration (GSA) to hold live auctions every six months. Last month the BLM sold an additional 733.75 acres of public land for \$127.1 million. Parcels not sold at the live auction may be offered for sale on the Internet by GSA, or they may be offered at future live auctions.

In addition to the land designated for disposal in the Las Vegas Valley under SNPLMA, the BLM has identified nearly 1 million additional acres of land throughout the State under other authorities that are also available for disposal. These are lands that are designated for disposal into private ownership through a public planning process that provides for community expansion and economic development in other areas of Nevada. To date, the BLM has sold 7,700 acres to the City of Mesquite under the Mesquite Land Act of 1986, and we are working with the City on the conveyance of an additional 4,500 acres of land. The BLM is offering for sale 13,500 acres under the Lincoln County Land Act of 2000. Over the next several years, the BLM also plans to offer for sale approximately 21,200 acres of land in 13 Nevada counties outside of Clark County.

The Department of the Interior recently reorganized its land-appraisal function and consolidated the Department's various appraisal functions within a newly developed Department office. This reform will provide unbiased land appraisals consistent with the public interest by increasing appraiser independence, making certain that appraisals meet recognized professional standards, and advancing conservation goals.

Expenditures from the Special Account

Since implementation of SNPLMA in 1998, the Secretary has approved over \$630 million in expenditures from the special account. Of that total, \$207 million has been approved for acquisitions of environmentally sensitive lands, \$153 million for capital improvements, \$155 million for parks, trails and natural areas, \$36 million for conservation initiatives, \$44 million for Burton-Santini acquisitions, and \$20 million for multi-species habitat conservation plans.

On October 28, 2003, the Secretary of the Interior, in consultation with the Secretary of Agriculture, approved the fourth round of expenditures from the special account totaling nearly \$376 million. In this most recent round, nearly \$104 million is earmarked for development of 28 park, trail and natural area projects in partnership with local governments in Clark County, \$118 million for capital improvements and \$101 million for land acquisitions. Seventy-four percent of those expenditures will be made in Clark County.

Some examples of on-going efforts and past successes that were funded using the special account include the following:

Parks, Trails, and Natural Areas—To date, the special account has provided for over \$155 million to park, trail, and natural area projects in Clark County. Funds are used to partner with local governments in Clark County to meet the increasing demand for outdoor recreation, protect significant resources, and link urban areas with public lands as part of a regional trail system. With the special account funds, Clark County purchased more than 750 acres of private lands that were inholdings within the proposed area for the Clark County Wetlands Park (Park). The County Departments of Comprehensive Planning and Parks and Recreation started the Park project in 1999. The Park encompasses about eight square miles along a seven-mile stretch of the Las Vegas Wash in the southeastern corner of the Las Vegas Valley. In addition to providing exceptional recreation opportunities for visitors, park improvements are helping to control erosion of the Las Vegas Wash, increase

wildlife and plant diversity, and benefit Lake Mead by controlling erosion and sediment loading.

Conservation Initiatives—Conservation initiatives are a new funding category under SNPLMA authorized by an amendment included in the Clark County Public Land and Natural Resources Act of 2002. Funds are used for the planning, implementation, and monitoring of projects that promote conservation on Federal lands through education and other means. Since passage of this law, over \$36 million have been approved for expenditures benefitting Clark County in this category of activities. One of the first projects to be implemented was an educational outreach program for off-highway vehicle riders. Through a public awareness campaign, riders are being encouraged to stay on roads and trails to control dust and to protect sensitive areas and listed species such as the desert tortoise. Another conservation initiative recently approved is funding for the clean up of unauthorized desert dumping sites.

Federal Recreation Areas in Clark County—The special account is also used to address capital improvement needs in Federally-managed areas within Clark County that receive high annual visitation. These areas include the BLM's Red Rock Canyon National Conservation Area, the National Park Service's Lake Mead National Recreation Area, the Forest Service's Spring Mountains National Recreation Area, and the Fish and Wildlife Service's Desert National Wildlife Refuge. Nearly \$153 million from the special account has been approved to address capital improvements in these areas. BLM is using the special account to build an environmental education facility at Red Rock Canyon National Conservation Area to be operated in cooperation with Clark County Public Schools. The special account is also being used to fund a new visitor center for the Forest Service in the Spring Mountains National Recreation Area; archaeological excavation work by the Fish and Wildlife Service at the Desert National Wildlife Refuge; and the building of boat launch ramps and upgrades of campgrounds by the National Park Service at the Lake Mead National Recreation Area. This resource work and new facilities will enable Federal agencies to provide better visitor services for those who come to enjoy these exceptional recreation areas.

Lake Tahoe Conservation—Within the SNPLMA land disposal boundary a smaller boundary also exists around land designated for disposal in the Burton-Santini Act of 1980. The proceeds from the sale of these lands are specifically designated for the purchase of land around Lake Tahoe. Since the enactment of SNPLMA, nearly \$44 million has been made available for the purchase of land at Lake Tahoe. Additionally, the Fiscal Year 2004 Department of the Interior Appropriations Act (Public Law 108-108) contains an amendment to SNPLMA that authorizes \$300 million to be spent over the next eight years for project work to restore and preserve Lake Tahoe's water clarity.

Acquisition of Environmentally-Sensitive Land—SNPLMA authorizes the Secretary of the Interior to expend revenue in the special account for the acquisition of environmentally-sensitive lands in Nevada with priority given to lands within Clark County. To date, four rounds of acquisitions have been completed. The nomination process is currently open for the fifth round of acquisitions. The BLM facilitates a nomination and selection process designed to provide for public input and to identify and prioritize land available from willing sellers. Acquisitions focus on supporting the recovery of threatened or endangered species, protection of riparian areas and associated species in the Virgin River, Muddy River, Lake Mead and Meadow Valley Wash, and enhancement of recreational opportunities.

About one quarter of the fourth round of expenditures recently approved by the Secretary of the Interior are earmarked for the purchase of environmentally-sensitive lands or interests in lands throughout Nevada. While the Secretary of the Interior approved a considerable amount of land for purchase, she also directed the BLM to continue an aggressive land disposal program consistent with BLM land use plans.

Multi-Species Habitat Conservation Plans—With significant growth and development occurring in Clark County, providing for the conservation of sensitive species is critical. SNPLMA has provided more than \$20 million in funding for development of the Clark County Multi-Species Habitat Conservation Plan. One of the projects recently approved by the Secretary of the Interior is the development of a strategy for conservation along the Virgin River to protect several Federally-listed fish species while allowing for property development and community growth.

Land for Education and Community Services

In addition to providing SNPLMA funds to the Nevada General Education Fund from the sale of land, BLM has conveyed land to communities in Nevada for schools and other facilities through the Recreation and Public Purposes Act (R&PP).

Through this Act, state and local governments, and qualified nonprofit organizations, are authorized use of the public lands for schools, fire houses, municipal and law enforcement facilities, hospitals, churches, parks, campgrounds, landfills, and fairgrounds. Over the past 15 years, the BLM has conveyed approximately 7,530 acres in 105 areas throughout Nevada under the R&PP Act. A significant number of R&PP transfers exist in Clark County, which has the highest number of R&PP transfers BLM-wide.

Additionally, the Clark County Public Land and Natural Resources Act of 2002 directed BLM to convey public land to the City of Las Vegas for the development of low-income housing; to establish a research and technology center at the University of Nevada, Las Vegas; to the Las Vegas Metropolitan Police Department for a shooting range; and to the City of Henderson to expand the Nevada State College.

Conclusion

Under the various laws enacted to benefit Nevada, BLM is conveying almost 100,000 acres of public lands into private ownership to accommodate community growth and economic development in Clark County and elsewhere in Nevada. The BLM is pleased to join with State and local government partners to implement SNPLMA and to help address pressing needs in the State.

Thank you again for the opportunity to appear here today to discuss SNPLMA and other land disposal actions in Nevada. I will be happy to answer any questions you may have.

Mr. GIBBONS. Director Abbey, thank you again. And first, I want to thank you for your service to the employees and to the people of this nation for what you do and the State of Nevada especially. I want to thank you because from someone who deals almost daily, day in and day out, with your staff and your employees, I think we have been more productive because of your leadership, and I want to thank you for that. I hope that that relationship will continue into the future as well.

I have a question to put you on the spot right away, because you are one of my favorite witnesses that always comes to my Resource hearings. With regard to this proposal to increase the amount of proceeds that come out of the sale of public lands to go from five to say 35 percent for education, do you support that, or not?

Mr. ABBEY. I support, and the Secretary of Interior supports, the opportunity to work with the Nevada delegation and members of Congress to amend the Southern Nevada Public Lands Management Act to allow other uses for the funds that are being generated. Whether those uses would include an increase to the education school fund for Nevada or for additional funds that could be used to implement what we refer to as the Great Basin Restoration Initiative, to address some of our natural resource needs that we have in this State, to reduce the threats of catastrophic wildland fire, to address noxious weed, to provide additional management in some of these new areas where the public are discovering on a daily basis. We would certainly welcome the opportunity to work with the members of Congress on a possible amendment.

Mr. GIBBONS. You have been in this job long enough that that was the most beautifully obscure, bureaucratic answer that I have heard from you in a long time.

[Laughter.]

Mr. GIBBONS. That was great.

Mr. ABBEY. You have given me plenty of practice lately.

Mr. GIBBONS. Well, let me ask—

Mr. ABBEY. Congressman Gibbons, if I could, in response to your direct question. School systems in Nevada as well as school sys-

tems throughout this nation are in dire need of additional funds. My daughter is a second grade school teacher in the State of Mississippi, she has been doing so for, this is her third year. And I am routinely reminded of the needs that the education systems have for additional funds. I am constantly amazed how much money, individual money, that our teachers are forced to use to buy school supplies and to provide other learning materials to the students because the school systems cannot afford that.

So yes, do I believe that the school systems in Nevada need additional funds? I do. Do I believe school systems throughout this nation do need additional funds? I do.

Whether or not the revenues from the Southern Nevada Public Lands Management Act is the best source for those funds, I think is up to further discussion.

Mr. GIBBONS. Well, let me also add that unlike Mississippi, Nevada has 87 percent of its land owned by the Federal Government, some counties are 98 percent owned by the Federal Government, one of them is 98.7 percent owned by the Federal Government which makes it far more difficult than any other state to deal with the revenue resource requirements, with the growth requirements that this state has. It is unique, Nevada is unique among all 50 states in terms of this ratio of private to public land being so disparate, its ratio of growth with the population demands that are coming in here, the impact of the urbanization—no other state is as urban as the State of Nevada. So the issue here is how do we with such a small taxpayer base, unlike Mississippi, unlike any other state, generate the revenues needed to be able to afford the education that is required by the Federal Government under the No Child Left Behind Act, without finding unique ways as we grow. It is one thing to be able to buy private property that is on the taxpayer rolls, to be able to build a school on. It is another thing to be able to buy private property just to put it in the government's coffers, which do not generate PILT, and you heard many of the witnesses here earlier talk about the fact that we get 22 cents per acre under PILT, on average. I do not know many school districts that can afford to build a school unless they have got millions of acres because it takes about three to six million dollars to build an elementary school today, that can afford to do that. Because we combine so many people in a small area, we never really end up generating the revenues from payment in lieu of taxes that would have been generated from a private tax base, private property tax base anyway.

Let me ask a question that you heard either Assemblyman Carpenter or Commissioner Nannini talk about. It seems to be a speculator's paradise out there in northern Nevada, running out, buying some of these properties in advance. When you have identified them as being sensitive, they will go out and buy these properties, and according to either Assemblyman Carpenter or Commissioner Nannini, these properties are being purchased at or near fair market value and then turned around and sold to the Federal Government at an elevated price. Is that your experience? Are you seeing that? What is happening out there on the ground?

Mr. ABBEY. Congressman Gibbons, let me—and I will address that. I am not seeing a lot of that, we are seeing some of that.

Mr. GIBBONS. OK.

Mr. ABBEY. I will also say that while the Secretary of Interior has approved a little over \$200 million under the first four rounds of expenditures for Southern Nevada Public Lands Management Act for land acquisitions in the State of Nevada, that to date, only 2200 or so acres have been acquired in those four-year periods. There have been projects that have been identified that encompass thousands of acres, \$200 million has been approved by the Secretary for acquiring those properties, but in implementing the first four rounds, we have actually only acquired a little over 2200 acres. Now there are a lot of reasons for that too.

Acquisitions and disposals are not easy tasks, by any means. We want to make sure that the American public is protected for any lands and resources that might come into Federal ownership, or in this case, public ownership. So there is an awful lot of clearance work that is done. We get into situations sometimes with surveys, hazardous materials, and then appraisals. We have worked through several of these issues to get to the point of doing an appraisal to determine what is—what we can offer under a fair market value transaction, only at that point in time to have the private landowner decide they do not want to participate. So we have had several of our projects that were identified in rounds one through three, when we get to the point of making an offer, the landowner decides it is not what they want.

Mr. GIBBONS. Let me go back to an issue that we talked about earlier because I want to talk about the inequity between urban counties and rural counties. It seems to me—and I do not know if you would agree with this, but we sell public land in Clark County that becomes very valuable, we are talking hundreds of thousands of dollars per acre for development, and then we take the money and purchase a ranch in Elko County, take it off the taxpayer rolls because of its desirability, by your agency or the Forest Service, and it seems to me that we are creating prosperity in Clark County at the expense of the rural counties by doing this. Does that seem equitable or fair?

Mr. ABBEY. We recognize that we have a responsibility to rural Nevada to ensure that we have a balanced lands program, that at the same times lands are being nominated and identified for possible acquisition by the Federal Government, the Bureau of Land Management through our land use planning processes and the authorities that are already vested to us by Congress, that we need to ensure that appropriate public lands that have been identified for disposal are thereby disposed of. Therefore, in some sense, whether you call it a no net gain or whether you call it a fair and equitable approach, we certainly have a responsibility to make sure that rural Nevada does not suffer because of this legislation.

Mr. GIBBONS. What I do not want to do is create a two tier system—Clark County against rural counties and rural counties against Clark County. That is absolutely something that I think we should never get into.

Mr. ABBEY. I agree.

Mr. GIBBONS. And I do not want to ever see our state feeling that we are enriching one area at the expense of another. This is why this whole issue is so important to us, because the education of a

child in Elko County, who is dependent on far less land, taxable land, available each year, is just as important as the education of a child in Clark County. Having to represent those rural areas along with a lot of Clark County puts me right in the middle of that dispute.

Let me ask a question, how much money currently sits in the Southern Nevada Public Lands Management Act today?

Mr. ABBEY. We have over a couple of hundred million dollars.

Mr. GIBBONS. Do you have a closer figure?

Mr. ABBEY. I can give you—

Mr. GIBBONS. So it is over 200 and some million.

Mr. ABBEY. Yes.

Mr. GIBBONS. OK.

Mr. ABBEY. Now again, there has been a need identified for all the monies that have been approved for expenditures. Over \$100 million have been identified to local governments here in Clark County for parks, trails and natural areas. Nowhere else in the Nation does local governments have access to such monies as what local government here in Clark County has for parks, trails and natural areas.

Mr. GIBBONS. Do you think if we took 35 percent for education, increased it from five to 35 percent, that we would impact the ability of the Bureau of Land Management, under Southern Nevada Public Lands Management Act, to provide for parks and trails and the maintenance of those areas in Clark County?

Mr. ABBEY. I think it would limit the availability of funds to address the needs that have been identified to us. For example, even though we have not completed round five nominations, I have—

Mr. GIBBONS. But that is acquisitions. I am talking about O&M—

Mr. ABBEY. That is for all projects.

Mr. GIBBONS. That includes acquisitions and O&M.

Mr. ABBEY. Yes, sir.

Mr. GIBBONS. Let us just take the acquisitions out for a minute.

Mr. ABBEY. OK.

Mr. GIBBONS. Do you have enough money to do the O&M today?

Mr. ABBEY. For parks, trails and natural areas?

Mr. GIBBONS. Yes.

Mr. ABBEY. Based upon a draft list of proposals that I have seen from local government, from Clark County, I would say no.

Mr. GIBBONS. So you still want to spend the extra money on buying more land even though you cannot manage the operation and maintenance of the existing lands, parks, trails you have today.

Mr. ABBEY. Congressman Gibbons, I was referring back to parks, trails and natural areas that would be managed by local government, not necessarily acquisitions of more lands by the Federal Government. There is a wish list, and I use that term loosely, that have been completed and provided to me from local governments in Clark County for round five, which means we have not approved any expenditures for round five, in excess of \$600 million for parks, trails and natural areas in this county alone. We are not going to generate that much money during this next year.

Mr. GIBBONS. Well, next year. But over the life of the Southern Nevada Public Lands Management Act, I am sure that since we have already generated \$670 million?

Mr. ABBEY. Thereabouts. Over the first four years.

Mr. GIBBONS. That those revenues would adequately cover the operation and maintenance of the parks, trails and public land wish list that you have got now.

Mr. ABBEY. Those monies would be available for development of parks, trails and natural areas, they are not available for maintenance and operations of those.

Mr. GIBBONS. And what is your estimated income expectation from the balance of the sale of lands in Clark County?

Mr. ABBEY. For the balance of the lands?

Mr. GIBBONS. Yeah, that have not been sold yet.

Mr. ABBEY. In excess of a billion dollars.

Mr. GIBBONS. Billion.

Mr. ABBEY. That is if we are not stopped by lawsuits or other possible actions.

Mr. GIBBONS. I guess what I am trying to do is get a sense of the equity here, understanding that we only allocate 5 percent for education.

Mr. ABBEY. Yes, sir.

Mr. GIBBONS. We have got all this public land currently in your portfolio and inventory that have all of these requirements that you want to do, I mean they are needs and they are niceties and some of them—you know, it would be nice to gold-plate every faucet, but we cannot do that. I mean we have to prioritize and spend some things that, you know, that we think are reasonably necessary.

Mr. ABBEY. Yes.

Mr. GIBBONS. So we will not be able to do everything. If we stopped today, stopped buying land today—I agree with you in your statement that a lot of the monies that we have in this account could be used to rehabilitate burned areas of the State, to be able to go back in and do the maintenance, do the management and the operation of the current existing portfolio versus adding to that requirement without a steady stream of revenues that would, therefore, make those lands no better managed than they are today, and in some cases not as well managed as they are today under private ownership.

I guess I struggle with the concept of going out and buying more land to put into Federal ownership without the ability, as you have indicated even in Clark County, to do the necessary O&M on these parcels that you have got identified. There is a breakdown, and maybe it is just me that I do not understand it, but my goal is to see how we can use the monies both to protect the land and acquire the land that is critically needed, absolutely must have for protection of sensitivity and wildlife habitat versus nice to do, wants and desires, and the education of the kids in this state as well, because when we sell public land here, we add more kids, 27,000 last year to the school system, 65 new schools are now on the list. And we are only giving 5 percent, we have only allocated 5 percent of the dollars to education. But yet we can think that providing them water at 10 percent is more important than giving them an education.

So I have got some real equities that I want to deal with here and I just wanted the public to understand this, that my proposal in this is increasing the education fund from 5 percent to 35 percent would mean \$70 million out of the proposed amount that we have already spent, versus \$29 million that is going to education. So what I am doing is just adding a little more to the education while still preserving you 55 percent of the proceeds to do the things that you really are doing today.

Mr. ABBEY. I understand that.

Mr. GIBBONS. And that is what I gathered from Dr. Rulffes and Dr. Roberts as critical needs from some of our rural counties as well as our urban counties who are impacted by this whole process of selling a few acres here in Clark County, very valuable, very expensive, buying very large, very expensive ranches in rural counties. I am just trying to balance out some of the things we do in the Federal Government, you and I work for the same government.

Mr. ABBEY. You bet.

Mr. GIBBONS. And everybody has to benefit from what we do or they suffer from what we do. And we are just trying to bring the education of our kids into a higher priority.

With that, let me see what else I might want to talk about. What is the department's priority right now when it comes between the operation and management of trails, parks, et cetera or the acquisition of new land? What is the priority?

Mr. ABBEY. The priority within the Department of Interior and the Bureau being an entity within the Department of Interior, is to maintain what we already have and to provide the services that the public demands and expects and deserves. The acquisition of additional properties is a plus and certainly the Secretary as well as all of us who benefit from the acquisition of additional lands in the State of Nevada are also concerned about our ability to provide the appropriate management of any additional lands that may come into the public portfolio.

At the present time, we do not have access to these revenues that are generated from land sales in Southern Nevada. So all management funds, with the exception of Clark County, our Federal lands in Clark County, all management funds would have to come through the appropriations process.

Mr. GIBBONS. So when you buy property in Elko or Eureka, you do not have the management fund stream coming to you to manage those lands, but you do in Clark County where you acquire private lands for sensitive natures because we have Southern Nevada Public Lands Management Act, which then creates that revenue stream for O&M for the lands down here in Clark County.

Mr. ABBEY. That is true.

Mr. GIBBONS. So would you support then a Northern Nevada Public Lands Management Act where we used the monies to do the same or similar activities in northern—well, let us just say everywhere outside of Clark County?

Mr. ABBEY. Due to your leadership and many others in Congress, the Congress did approve the Federal Land Facilitation Act, which included the BOCA authority, I think a couple of years ago. That in itself provides us the authority to dispose of lands that have been identified in our existing land use plans as available for dis-

posals with up to I think it is 80 percent of the funds being returned back to the State where that land is sold. So we already have some authorities that exist today to allow us to dispose of properties and to recoup some of the revenues to pay for the cost of those properties.

We were using that authority to dispose of the property in Douglas County that we offered for sale and actually sold. The consummation of that transaction is on hold pending the outcome of a lawsuit that Carson City filed against the Bureau of Land Management. We were quite interested in selling that property because it would bring sufficient revenue into our account that would allow us to provide greater emphasis in rural Nevada to sell lands that we had identified for disposal. You have heard testimony from folks from Elko County, we have identified about 800 acres for sale this year and we are working on another 1200 acres in Elko County alone for sale in the very near future. We were going to use the monies that were generated from that land sale in Douglas County to offer those lands as well as other lands in rural Nevada for sale.

Now there is not a lot of market for some of the lands that have been identified for disposal. Some of them, as you heard, are in remote areas and probably the only one that might have an interest in acquiring those lands might be the grazing permittee.

Now when we go through the process of disposing of land, we again have to do the clearances, the cultural clearances, the threatened and endangered species clearances, the survey checks, the appraisal, it is a very expensive process. Some of the lands that we have identified in these remote areas would cost us more to dispose of than the revenues that would be coming in from the sale. Nevertheless, we understand the responsibility we have for a balanced lands program and we are willing to make that commitment to go forward and to take greater actions and place greater emphasis on disposals, if we had a source of revenues that we could use to sell those properties.

Mr. GIBBONS. The amount of land that you sold in Douglas County, how many acres was that?

Mr. ABBEY. Congressman, I do not know the exact figure, but I can certainly get that to you. I think it was something in the neighborhood of 1200 acres or so, but I would have to get that back to you.

Mr. GIBBONS. All right. Let me ask just a final question. I want to get your thoughts, when you heard Mr. Decker talk about earlier the permitting complications in the mining industry on public lands and the requirement oftentimes that a permittee, in order to be able to get a permit issued, is asked to go out and buy a ranch or something else, just to get a permit. You heard him testify to that.

Mr. ABBEY. I did.

Mr. GIBBONS. What would be your recommendations in situations like that?

Mr. ABBEY. Well, I would have to say that I do not believe that that is the case. Certainly under the 1872 mining law, anyone can go out and stake a claim on public lands that have not been withdrawn from the mining law. And therefore, if they have a discovered mineral, then they have the right to mine that property and

it does not require any kind of land exchange with the Bureau of Land Management or any other requirements that we would place on that individual. What they would do if they have a discovered mineral is provide us with a mining plan of operation which would describe the operation that they would undertake to mine that mineral resource. At that point in time, we would do an environmental impact statement and issue a decision, you know, approving the mine or making modifications or, in very rare instances, denying the mining plan of operation.

So again, I did hear the testimony, I do not believe that is the case.

Mr. GIBBONS. Well, I just would like to add that I have heard from several mining companies—now whether it is the Forest Service and not the BLM, but they were required, in order to obtain a permit—the final phase was that they had to go out and buy a portion of land, offer that trade to the Federal Government in exchange for part of the permitting process.

Mr. ABBEY. The only thing that I could think of—

Mr. GIBBONS. I do not know why they would say that if it were not a reality that they had experienced.

Mr. ABBEY. Well, there are a couple of examples of where companies have purchased ranches. Again, it is primarily for water issues. Either they need additional water rights for mining purposes or they need a place for dewatering purposes.

Mr. GIBBONS. Sure.

Mr. ABBEY. And I certainly am well aware of some of the mining companies going out and buying fairly large ranches and then using those lands and resources for dewatering purposes.

The only other exception that I could think of would be where there may be some offsite mitigation requirements due to threatened and endangered species habitat or whatever the case may be, or cultural resources, where there could be, through the decision process, a requirement for offsite mitigation. That in itself might lead to acquisition of a property by a mining company, but I do not know of too many specifics along those lines.

Mr. GIBBONS. Is there a requirement in the permitting process under 1872 mining law to do offsite mitigation?

Mr. ABBEY. There is not. In fact, we try to mitigate onsite. Offsite mitigation is the exception rather than the norm.

Mr. GIBBONS. Perhaps that is what we have.

Mr. ABBEY. The way we would deal with that is through a—

Mr. GIBBONS. Let me ask just one—I said one final question and I keep asking more questions—you are oftentimes, in the sale of these lands that you identified, blocked by litigation, people who are opposed to the Federal Government selling the land for one reason or another, are blocked and that land sale gets either stopped—well, it does get stopped until a resolution of the lawsuit and oftentimes is prevented from ever occurring because of the delay, it means that the value and the requirement for why it is there disappears.

If I were an individual, an entity, nonprofit organization, anything, could I come in and file a lawsuit against you for buying a piece of land?

Mr. ABBEY. I think anybody can sue people for any reason.

Mr. GIBBONS. And would that stop you?

Mr. ABBEY. We would defend our actions in court. We would believe that we have the authority and the right to acquire properties that we believe would benefit the American public.

Mr. GIBBONS. Sure. But it can go both ways. We can stop you from buying and you can be stopped from selling by the institution of litigation, which happens.

Mr. ABBEY. Which happens. We would probably pursue the acquisition even though a lawsuit has been filed, unless the Judge issued a restraining order.

Mr. GIBBONS. Do you do the same with a sale?

Mr. ABBEY. We have.

Mr. GIBBONS. Is it your policy to proceed forward with a sale absent an injunction from a Federal court?

Mr. ABBEY. Yes, it is. In fact, every land sale that we have proposed to date under the Southern Nevada Public Lands Management Act has been litigated.

Mr. GIBBONS. Every one of them.

Mr. ABBEY. And we have gone forward with the sale.

Mr. GIBBONS. Mr. Abbey, you have, as usual, impressed all of us with your wit and wisdom, and certainly help us better understand this and we appreciate the time you have taken to become one of our regulars before this Committee.

I want to thank you, I want to thank all the witnesses today. That is the end of my remarks and the end of this hearing. We are actually a little bit over in terms of utilization of this building. Today's hearing will remain open for 10 days, as I indicated.

I want to welcome all of the citizens here to submit written comments on this issue. You can submit them to the Committee and they will be incorporated into the record.

I would like to thank our clerk over here, who is Casey Hammond, with the Committee on Resources, and Casey, can you raise your hand? Thank you. If you have a question about the Committee's activities or address, get in touch with Casey over here and he will give you the information you need to get your comment in to the Committee, and the addresses to us.

And I want to welcome again your comments to our district offices as well here in Elko County for the Second Congressional District—I should have said Clark County—or Elko or Reno as well.

And finally, before I bring the gavel down, let me thank again Mark Robertson as well as Steven Long for our Pledge of Allegiance and the invocation that was given at the beginning.

With that, there are no further questions, this Committee hearing is ended. Thank you.

[Whereupon, at 12:17 p.m., the Subcommittee was adjourned.]

[Additional material submitted for the record follows:]

[The prepared statement of Mr. Porter follows:]

Statement of The Honorable Jon Porter, a Representative in Congress from the State of Nevada

Good morning. I would like to thank Congressman Gibbons for holding this field hearing in Las Vegas today on the dispensation of funds from the Southern Nevada Public Lands Management Act, and for his diligence and hard work for the people

of Nevada. It is an honor to serve as his colleague in the House of Representatives, and I appreciate the tremendous work he has done regarding public lands in our great state. I would also like to thank Chairman Radanovich and the distinguished members of the House Resources Committee for coming to Southern Nevada to examine this important issue. I look forward to hearing comments from the many notable public officials and citizens that have come today to offer their input. It is wonderful to have so many people gathered here today working for Nevada.

As you know, in 1998 Congress enacted the Southern Nevada Public Lands Management Act (SNPLMA). While I was not yet a member of Congress when this law was enacted, I have witnessed the immense benefits this legislation has provided to Southern Nevada. As of October 31, 2003, almost \$700 million has been generated from BLM land sales. Recently, Secretary of the Interior Gale Norton announced the approval of nearly \$385 million for projects in Southern Nevada. Recommendations including \$104 million for the development of 28 park, trail, and natural area development projects in Clark County, \$36 million for conservation initiatives, \$16 million for continued development of the Clark County Multiple Species Habitat Conservation Plan, \$118 million for 39 capitol improvement projects at Lake Mead National Recreation Area (NCA), Red Rock Canyon NCA, Spring Mountain NCA, and the Desert National Wildlife Refuge, and \$111 million for 53 acquisitions of environmentally sensitive lands in Nevada to provide recreation opportunities, protect endangered species habitats, and protect important cultural values.

The incredible growth that has taken place in Clark County has raised unique issues regarding our public lands and the Southern Nevada Public Lands Management Act. The growth of Clark County has been significant, and is a tribute to the leadership of our elected and Administration officials, the hard work and dedication of local developers, and the economic success of the Las Vegas region.

Since the passage of the SNPLMA, we have been able to ensure the organized, strategic and orchestrated growth of our southern Nevada community, while still maintaining and preserving many of Nevada's environmental treasures and resources. This growth, while positive, has created and placed new and increased pressures on our existing precious resources, such as infrastructure, education and water. Since my 20 years in public office, I have seized opportunities to better manage this growth and the responsibilities and liabilities it brings. I believe growth should pay for growth. As we undergo the process of reviewing this legislation and looking for opportunities to improve upon the original Act of 1998, I would support a provision to allow more of the proceeds from the sale of public lands to go to state and local governments to help meet the growing needs of our community as a result of the privatization of our federal lands in southern Nevada. I am interested in hearing the opinions offered today and am open to examining this legislation in order to improve the benefits it offers to the citizens of Nevada.

I look forward to following the example set by the other leaders of our great state by continuing to protect our public lands and preserve our natural resources while maintaining Nevada's long tradition of economic growth. I look forward to continuing to work closely with Congressman Gibbons, Chairman Radanovich, my fellow members of Nevada's Congressional Delegation, members of the House Resources Committee, and distinguished community officials and leaders to examine this important legislation.

